

Investments

Wholesale Investments

Annual Financial Report 2009



Dear Investor

Your Annual Financial Report

I am pleased to present the reports for the financial year ended 30 June 2009 for Colonial First State Wholesale Short Term Australian Bond Fund, Colonial First State Wholesale Australian Share Fund, Colonial First State Wholesale Industrial Share Fund¹, Colonial First State Wholesale Small Companies Fund – Core, Colonial First State Wholesale Global Health & Biotechnology Fund, Colonial First State Wholesale Global Technology & Communications Fund and Colonial First State Wholesale Guaranteed Mortgage Fund¹.

This statement is the final component of the reporting information for the 2008–2009 financial year.

If you have any questions about the Annual Financial Report, please call Investor Services on **13 13 36** Monday to Friday, 8am to 7pm, Sydney time.

Yours sincerely,

A handwritten signature in blue ink that reads "Brian Bissaker". The signature is written in a cursive, flowing style.

Brian Bissaker

Chief Executive Officer

¹ Closed to new investors.

COLONIAL FIRST STATE WHOLESALE FUNDS

Represented by:

ARSN

Colonial First State Wholesale Short Term Australian Bond Fund	093 878 043
Colonial First State Wholesale Australian Share Fund	087 570 214
Colonial First State Wholesale Industrial Share Fund	087 564 118
Colonial First State Wholesale Small Companies Fund - Core	089 460 891
Colonial First State Wholesale Global Health & Biotechnology Fund	092 203 506
Colonial First State Wholesale Global Technology & Communications Fund	089 743 395

Financial Report for the

Year Ended 30 June 2009

Responsible Entity of the Funds:

COLONIAL FIRST STATE INVESTMENTS LIMITED

ABN 98 002 348 352

Level 29, 52 Martin Place
SYDNEY NSW 2000

COLONIAL FIRST STATE WHOLESALE FUNDS

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COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

The directors of Colonial First State Investments Limited, the Responsible Entity of the Colonial First State Wholesale Funds ("the Funds"), present their report together with the financial report of the Funds for the financial year ended 30 June 2009.

Principal Activities

This financial report consists of six managed funds belonging to the family of funds known as the Colonial First State Wholesale Funds. The Funds in this financial report and their Date of Constitution and Date of Registration are presented as follows:

	Date of Constitution	Date of Registration
Colonial First State Wholesale Short Term Australian Bond Fund	21/07/2000	1/08/2000
Colonial First State Wholesale Australian Share Fund	11/05/1999	9/06/1999
Colonial First State Wholesale Industrial Share Fund	11/05/1999	9/06/1999
Colonial First State Wholesale Small Companies Fund - Core	24/05/1988	7/10/1999
Colonial First State Wholesale Global Health & Biotechnology Fund	22/03/2000	3/04/2000
Colonial First State Wholesale Global Technology & Communications Fund	27/09/1999	7/10/1999

The investment policy of the Funds continues to be that detailed in the information memorandum and in accordance with the Constitutions of the Funds.

The Responsible Entity has appointed Wellington Management Company, LLP to undertake the investment management for the Colonial First State Wholesale Global Technology & Communications Fund and the Colonial First State Wholesale Global Health & Biotechnology Fund. Colonial First State Investments Limited continues to be the Responsible Entity of these Funds. The investment objective and the ongoing management fee for these Funds remain the same.

Review of Operations

The Colonial First State Wholesale Funds provide investors access to a broad range of investments including money market securities, fixed interest securities, managed investment schemes, Australian and international listed shares.

There were no significant changes in the nature of the Funds' activities during the year.

The results of the Funds were as follows:

Income

The income distributions per unit for each of the Funds for the year ended 30 June 2009 and 30 June 2008 are shown in Note 4 to the financial statements.

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Review of Operations (continued)

Exit Prices

The exit price is the price at which unitholders realise an entitlement in a Fund and is calculated by deducting a predetermined cost of selling (commonly known as the "sell spread"), if applicable, from the net asset value per unit ("NAV unit price") of a Fund. NAV unit price is calculated by taking the total fair value of all of a fund's assets on a particular day, adjusting for any liabilities and then dividing the net fund value by the total number of units held by unitholders on that day.

The following unit prices, represent the ex-distribution exit unit prices as at 30 June 2009, together with comparative unit prices as at 30 June 2008.

	2009 \$	2008 \$
Colonial First State Wholesale Short Term Australian Bond Fund	1.0322	1.0112
Colonial First State Wholesale Australian Share Fund	1.4301	1.7089
Colonial First State Wholesale Industrial Share Fund	0.9648	1.0889
Colonial First State Wholesale Small Companies - Core	0.9771	1.1994
Colonial First State Wholesale Global Health & Biotechnology Fund	0.6963	0.7114
Colonial First State Wholesale Global Technology & Communications Fund	0.4705	0.5722

Management Costs and Indirect Cost Ratio (ICR)

The Indirect Cost Ratio is the ratio of the Fund's management costs over the Fund's average net assets attributable for the year, expressed as a percentage.

Management cost include management fees and other expenses or reimbursements deducted in relation to the Fund, but do not include transactional and operational costs such as brokerage. Management costs are not paid directly by the unitholders of the Fund.

The ICR of the Funds are shown in the following table:

	ICR 2009 %	ICR 2008 %
Colonial First State Wholesale Short Term Australian Bond Fund	0.46	0.45
Colonial First State Wholesale Australian Share Fund	0.96	0.96
Colonial First State Wholesale Industrial Share Fund	0.95	0.96
Colonial First State Wholesale Small Companies - Core	1.12	1.11
Colonial First State Wholesale Global Health & Biotechnology Fund	1.16	1.15
Colonial First State Wholesale Global Technology & Communications Fund	1.17	1.16

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Review of Operations (continued)

Performance

The performance figures below have been calculated on an annual compound basis using exit prices and with no allowance made for the taxation of these returns. Distributions paid have been treated as being reinvested and have been recognised in the period of entitlement.

	Year ended June 2009 %	Year ended June 2008 %
Colonial First State Wholesale Short Term Australian Bond Fund	9.23	5.42
Colonial First State Wholesale Australian Share Fund	(14.30)	(15.27)
Colonial First State Wholesale Industrial Share Fund	(5.84)	(26.92)
Colonial First State Wholesale Small Companies - Core	(15.56)	(28.19)
Colonial First State Wholesale Global Health & Biotechnology Fund	(2.12)	(16.80)
Colonial First State Wholesale Global Technology & Communications Fund	(17.04)	(20.06)

Responsible Entity and Directors

The Responsible Entity of the Fund is Colonial First State Investments Limited. The ultimate holding company is the Commonwealth Bank of Australia (ABN 48 123 123 124).

The Directors of the Responsible Entity in office during the year and up to the date of the report are:

Grahame Anthony Petersen	
Michael John Venter	
Brian Vincent Bissaker	
Gregg Johnston	Appointed 04/08/2009
Peter Robert Winney	
Bradley Brian Massey	
Paul Alexander Rayson	Resigned 28/07/2009

The Responsible Entity is incorporated and domiciled in Australia and has its registered office at Level 29, 52 Martin Place, Sydney, New South Wales, 2000.

Scheme Information

The Funds are registered managed investment schemes domiciled in Australia and have their principal place of business at Level 29, 52 Martin Place, Sydney, New South Wales, 2000.

Unit Pricing Adjustments Policy

There are a number of factors used to calculate unit prices. The key factors include asset valuations, liabilities, debtors, the number of units on issue and where relevant transaction costs. When the factors used to calculate the unit price are incorrect an adjustment to the unit price may be required. The Responsible Entity uses a variance of 0.30% in the unit price before correcting the unit price.

If a unit pricing error is greater than these tolerance levels the Responsible Entity will:

- compensate unitholders' accounts balance if they have transacted on the incorrect unit price or make other adjustments as the Responsible Entity may consider appropriate, or
- where unitholders' accounts are closed we will send them a payment if the amount of the adjustment is more than \$20.

These tolerance levels are consistent with regulatory practice guidelines and industry standards. In some cases we may compensate where the unit pricing error is less than the tolerance levels.

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Significant Changes in the State of Affairs

There were no significant changes in the nature of the Funds' activities during the year.

Matters Subsequent to the End of the Financial Year

No matters or circumstances have arisen since 30 June 2009 that have significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Funds in future financial years.

Likely Developments and Expected Results of Operations

The Funds will continue to pursue their current investment policy in accordance with the objectives as set out in the product disclosure statements and the Funds' Constitutions.

At the time of preparing this report the Responsible Entity is not aware of any likely developments which would impact upon the future operations of the Funds.

Indemnification and Insurance Premiums for Officers and auditors

No insurance premiums are paid for out of the assets of the Funds in relation to insurance cover provided to Colonial First State Investments Limited or the auditors of the Funds. So long as the officers of Colonial First State Investments Limited act in accordance with the Constitution and the Corporations Act 2001, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds. The auditors of the Funds are in no way indemnified out of the assets of the Funds.

The Commonwealth Bank of Australia (ABN 48 123 123 124) has paid insurance premiums for the benefit of the officers of the Responsible Entity and the Compliance Committee members. Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the insurance contracts.

Fees Paid to and Interest Held in the Funds by the Responsible Entity or its Associates

Fees paid to the Responsible Entity and its associates out of the Funds' assets during the year are disclosed in the Income Statements.

No fees were paid to the directors of the Responsible Entity during the year out of the Funds' assets.

The interests in the Funds held by the Responsible Entity or its associates at the end of the financial year are disclosed in Note 9(e) to the financial statements.

Interests in the Funds

The units issued and redeemed in the Funds during the year and the number of units on issue at the end of the financial year are set out in Note 7(a) to the financial statements. The value of the Funds' assets at the end of the financial year are set out in the Balance Sheets.

Environmental Regulation

The operations of the Funds are not subject to any particular environmental regulations under Commonwealth, State or Territory law. There have been no known significant breaches of any other environmental requirements applicable to the Funds.

COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Rounding of amounts to the nearest thousand dollars

The Funds are registered schemes of a kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

Single Financial Report

The Funds are of the kind referred to in Class Order 06/0441 dated 29 June 2006 issued by Australian Securities & Investments Commission and in accordance with that Class Order, Funds with a common Responsible Entity can include the financial statements in adjacent columns in a single financial report.

Proceeds from redeeming units in a Fund can be applied to acquire units in other Funds included in this financial report.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on Page 6.

Signed in accordance with the resolution of the directors of Colonial First State Investments Limited.



Bradley Brian Massey
Director
Sydney
1 September 2009

PricewaterhouseCoopers
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DX 77 Sydney
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Auditor's Independence Declaration

As lead auditor for the audit of Colonial First State Wholesale Funds for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Colonial First State Wholesale Funds during the period



A J Wilson
Partner
PricewaterhouseCoopers

Sydney
1 September 2009

COLONIAL FIRST STATE WHOLESALE FUNDS

**INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Notes	Colonial First State Wholesale Short Term Australian Bond Fund		Colonial First State Wholesale Australian Share Fund		Colonial First State Wholesale Industrial Share Fund	
		01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Investment income							
Interest income	3	42,572	78,065	3,958	3,531	668	1,669
Distribution income		1,263	3,051	-	-	-	-
Dividend Income		-	-	61,767	69,882	39,743	59,090
Changes in fair value of financial instruments held for trading		30,094	(2,063)	(300,478)	(363,472)	(76,405)	(377,601)
Other income		-	75	771	222	57	260
Net foreign exchange gain		-	-	-	36	-	2
Total investment income/(loss)		73,929	79,128	(233,982)	(289,801)	(35,937)	(316,580)
Expenses							
Responsible Entity's management fees	9(c)	2,993	5,879	12,748	19,666	6,106	11,062
Other expenses		1	1	9	2	-	-
Brokerage costs		10	3	1,831	2,359	653	1,479
Total operating expenses		3,004	5,883	14,588	22,027	6,759	12,541
Operating profit/(loss) attributable to unitholders		70,925	73,245	(248,570)	(311,828)	(42,696)	(329,121)
Distributions to unitholders	4	(42,658)	(73,741)	(32,787)	(130,665)	(37,607)	(134,157)
Change in net assets attributable to unitholders from operations	7(a)	(28,267)	496	281,357	442,493	80,303	463,278
Profit/(Loss) for the year		-	-	-	-	-	-

The above Income Statements should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE FUNDS

**INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Notes	Colonial First State Wholesale Small Companies - Core		Colonial First State Wholesale Global Health & Biotechnology Fund		Colonial First State Wholesale Global Technology & Communications Fund	
		01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Investment income							
Interest income	3	720	3,586	43	77	36	80
Dividend Income		13,987	25,164	311	350	596	650
Changes in fair value of financial instruments held for trading		(106,045)	(246,610)	(422)	(6,258)	(4,949)	(8,061)
Other income		1	32	1	-	1	-
Net foreign exchange (loss)/gain		(50)	(312)	157	(34)	145	(134)
Total investment (loss)/income		(91,387)	(218,140)	90	(5,865)	(4,171)	(7,465)
Expenses							
Responsible Entity's management fees	9(c)	3,499	8,096	333	398	277	425
Other expenses		1	1	4	1	5	4
Brokerage costs		847	2,351	24	15	49	35
Total operating expenses		4,347	10,448	361	414	331	464
Operating loss attributable to unitholders		(95,734)	(228,588)	(271)	(6,279)	(4,502)	(7,929)
Distributions to unitholders	4	(10,128)	(93,432)	-	(32)	(187)	(317)
Change in net assets attributable to unitholders from operations	7(a)	105,862	322,020	271	6,311	4,689	8,246
Profit/(Loss) for the year		-	-	-	-	-	-

The above Income Statements should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE FUNDS

**BALANCE SHEETS
AS AT 30 JUNE 2009**

	Notes	Colonial First State Wholesale Short Term Australian Bond Fund		Colonial First State Wholesale Australian Share Fund		Colonial First State Wholesale Industrial Share Fund	
		30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000
Assets							
Cash and cash equivalents		10,035	29,957	29,129	84,892	11,990	32,301
Trade and other receivables:							
- outstanding sales settlement		-	-	2,983	5,705	-	-
- application monies		69	-	966	851	-	-
- dividends		-	-	8,537	9,880	5,604	7,616
- interests		31	124	73	347	29	153
- others		58	130	243	581	149	276
Financial assets held for trading	5	533,328	1,123,634	1,275,180	1,616,838	577,422	869,099
Total assets		543,521	1,153,845	1,317,111	1,719,094	595,194	909,445
Liabilities							
Bank overdraft		-	-	95	-	-	-
Trade and other payables:							
- outstanding purchase settlements		45,163	-	9,968	7,288	15	5,395
- redemptions		1,000	-	216	247	-	10
Distribution payable		8	5	1,388	4,423	5	43
Fees due to Responsible Entity	9(c)	188	449	1,031	1,436	501	761
Financial liabilities held for trading:							
- derivatives	6	3,381	8,036	1,141	4,329	-	-
Total liabilities (excluding net assets attributable to unitholders)		49,740	8,490	13,839	17,723	521	6,209
Net assets attributable to unitholders - liability	7(a)	493,781	1,145,355	1,303,272	1,701,371	594,673	903,236
Represented by:							
Fair value of outstanding units based on redemption value		493,377	1,145,635	1,304,377	1,701,267	595,324	902,326
Adjustments arising from different unit pricing and AIFRS valuation principles		(113)	(307)	(3,756)	(3,304)	(1,844)	(958)
Buy and sell spread		494	-	2,614	3,409	1,193	1,808
Adjustments to year end accruals		23	27	37	(1)	-	60
Net assets attributable to unitholders		493,781	1,145,355	1,303,272	1,701,371	594,673	903,236

The above Balance Sheets should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE FUNDS

**BALANCE SHEETS
AS AT 30 JUNE 2009**

	Notes	Colonial First State Wholesale Small Companies - Core		Colonial First State Wholesale Global Health & Biotechnology Fund		Colonial First State Wholesale Global Technology & Communications Fund	
		30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000
Assets							
Cash and cash equivalents		9,678	29,850	934	847	460	1,243
Trade and other receivables:							
- outstanding sales settlement		2,882	2,571	93	-	420	489
- application monies		1,098	675	20	29	1	12
- dividends		427	1,668	14	3	78	27
- interests		27	104	2	7	2	6
- others		112	219	10	11	8	12
Financial assets held for trading	5	309,507	527,406	24,111	28,098	20,627	28,249
Total assets		323,731	562,493	25,184	28,995	21,596	30,038
Liabilities							
Trade and other payables:							
- outstanding purchase settlements		3,096	11,344	-	-	438	337
- redemptions		117	846	5	52	-	29
Distribution payable		363	-	-	2	16	30
Fees due to Responsible Entity	9(c)	315	546	26	29	22	30
Financial liabilities held for trading:							
- derivatives	6	31	285	-	-	-	-
Total liabilities (excluding net assets attributable to unitholders)		3,922	13,021	31	83	476	426
Net assets attributable to unitholders - liability	7(a)	319,809	549,472	25,153	28,912	21,120	29,612
Represented by:							
Fair value of outstanding units based on redemption value		320,539	550,430	25,108	28,870	21,077	29,572
Adjustments arising from different unit pricing and AIFRS valuation principles		(1,521)	(2,364)	(18)	(37)	(6)	(33)
Buy and sell spread		803	1,380	63	72	53	74
Adjustments to year end accruals		(12)	26	-	7	(4)	(1)
Net assets attributable to unitholders		319,809	549,472	25,153	28,912	21,120	29,612

The above Balance Sheets should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE FUNDS

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Colonial First State Wholesale Short Term Australian Bond Fund		Colonial First State Wholesale Australian Share Fund		Colonial First State Wholesale Industrial Share Fund	
	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Total equity at the beginning of the financial year	-	-	-	-	-	-
Profit or loss for the year	-	-	-	-	-	-
Net income/(expense) recognised directly in equity						
Total recognised income and expenses for the year	-	-	-	-	-	-
Transactions with equity holders in their capacity as equity holders	-	-	-	-	-	-
Total equity at the end of the financial year	-	-	-	-	-	-

Under AIFRS, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at that start or end of the year.

The above Statements of Changes in Equity should be read in conjunction with Note 7(a).

COLONIAL FIRST STATE WHOLESALE FUNDS

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Colonial First State Wholesale Small Companies - Core		Colonial First State Wholesale Global Health & Biotechnology Fund		Colonial First State Wholesale Global Technology & Communications Fund	
	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Total equity at the beginning of the financial year	-	-	-	-	-	-
Profit or loss for the year	-	-	-	-	-	-
Net income/(expense) recognised directly in equity						
Total recognised income and expenses for the year	-	-	-	-	-	-
Transactions with equity holders in their capacity as equity holders	-	-	-	-	-	-
Total equity at the end of the financial year	-	-	-	-	-	-

Under AIFRS, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at that start or end of the year.

The above Statements of Changes in Equity should be read in conjunction with Note 7(a).

COLONIAL FIRST STATE WHOLESALE FUNDS

**CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	Colonial First State Wholesale Short Term Australian Bond Fund		Colonial First State Wholesale Australian Share Fund		Colonial First State Wholesale Industrial Share Fund	
		01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments held for trading		1,058,707	1,145,830	996,293	1,254,711	543,420	808,240
Payments for purchase of financial instruments held for trading		(408,701)	(708,249)	(930,722)	(945,168)	(313,862)	(713,432)
Interest received		54,831	84,570	4,232	3,484	793	1,713
Dividends received		-	-	40,930	58,851	22,089	44,552
Other income received		-	74	771	221	57	260
Responsible Entity fee paid		(3,181)	(5,979)	(12,815)	(20,156)	(6,239)	(11,342)
Other expenses paid		(2)	-	(9)	(1)	(1)	-
Payment for brokerage costs		(10)	(3)	(1,831)	(2,359)	(653)	(1,479)
Net cash from operating activities	8(a)	701,644	516,243	96,849	349,583	245,604	128,512
Cash flows from financing activities							
Receipts from issue of units		66,976	207,070	95,448	163,662	34,090	57,785
Payment for redemption of units		(785,270)	(700,129)	(241,819)	(463,716)	(299,925)	(193,195)
Distributions paid		(3,272)	(24)	(6,336)	(37,751)	(80)	(227)
Net cash used in financing activities		(721,566)	(493,083)	(152,707)	(337,805)	(265,915)	(135,637)
Net movement in cash and cash equivalents		(19,922)	23,160	(55,858)	11,778	(20,311)	(7,125)
Add opening cash and cash equivalents brought forward		29,957	6,797	84,892	73,114	32,301	39,426
Closing cash and cash equivalents carried forward		10,035	29,957	29,034	84,892	11,990	32,301

See Note 8(b) for non-cash financing activities.

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE FUNDS

**CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	Colonial First State Wholesale Small Companies - Core		Colonial First State Wholesale Global Health & Biotechnology Fund		Colonial First State Wholesale Global Technology & Communications Fund	
		01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments held for trading		431,975	1,028,544	26,644	24,294	46,129	53,921
Payments for purchase of financial instruments held for trading		(328,553)	(854,018)	(23,014)	(16,816)	(43,142)	(45,932)
Interest received		797	3,597	48	74	40	78
Dividends received		14,797	20,303	300	384	545	669
Other income received		-	32	-	-	-	-
Responsible Entity (fee paid)/ received		(3,622)	(8,409)	(335)	(406)	(282)	(436)
Other expenses (paid)/refund		(2)	-	(4)	1	(4)	(4)
Payment for brokerage costs		(847)	(2,351)	(24)	(15)	(49)	(35)
Net cash (used in)/from operating activities	8(a)	114,545	187,698	3,615	7,516	3,237	8,261
Cash flows from financing activities							
Receipts from issue of units		187,513	66,419	1,360	1,866	3,170	4,621
Payment for redemption of units		(322,049)	(220,370)	(4,886)	(10,030)	(7,160)	(12,602)
Distributions paid		(181)	(24,282)	(2)	-	(30)	(27)
Net cash (used in)/from financing activities		(134,717)	(178,233)	(3,528)	(8,164)	(4,020)	(8,008)
Net movement in cash and cash equivalents		(20,172)	9,465	87	(648)	(783)	253
Add opening cash and cash equivalents brought forward		29,850	20,385	847	1,495	1,243	990
Closing cash and cash equivalents carried forward		9,678	29,850	934	847	460	1,243

See Note 8(b) for non-cash financing activities.

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the Funds' Constitutions and the requirements of the Corporations Act 2001, which includes Accounting Standards. Other mandatory professional reporting requirements have also been complied with.

The financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The Balance Sheets are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be settled within twelve months, except for financial assets held for trading, loans and net assets attributable to unitholders. The amounts expected to be recovered or settled after more than twelve months in relation to these balances cannot be reliably determined, except as otherwise stated.

The financial report was authorised for issue by the Directors of the Responsible Entity on 28 August 2009.

Both the functional and presentation currency of the Funds are Australian dollars.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

(c) Investments in Financial Assets and Liabilities Held for Trading

Classification

The Funds' investments are classified as held for trading and initially recognised at fair value not including transaction costs, which are expensed in the income statement.

Recognition/Derecognition

The Funds recognise financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

The derecognition of a financial instrument takes place when the Funds no longer control the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

Measurement

After initial recognition, the financial assets held for trading are revalued to fair value at each reporting date.

For financial assets held for trading that are actively traded in organised financial markets, fair value is determined by reference to Exchange quoted market bid prices at the close of business on the balance date.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investments in Financial Assets and Liabilities Held for Trading (continued)

Measurement (continued)

Share price index (SPI) futures contracts are marked to market according to the bid price on the relevant futures exchange.

Convertible notes have been recognised as fixed interest securities in the Balance Sheet. Upon expiry of the note, if it is converted to shares, the fair value is recognised as listed equity.

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantively the same or is calculated based on the expected cash flows of the underlying net asset base of the investment. The fair value of units in unlisted Managed Investment Schemes is determined by reference to published bid prices at the close of business on the Balance Sheet date being the redemption price as established by the underlying Fund's Responsible Entity.

Gains or losses on investments held for trading are recognised in the Income Statements. Investments of the Funds which are considered to be held for trading are equity securities, fixed interest and money market securities, derivatives and investments in managed investment schemes.

(d) Investment Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Funds and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised:

Dividend and Distribution income

Income is recognised when the right to receive the payment is established.

Interest income

Income is recognised as the interest accrues (using the effective interest rate method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Changes in fair value of financial assets held for trading

Gains or losses on investments held for trading are calculated as the difference between the fair value at sale, or at year end, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses.

(e) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheets comprise cash at bank, deposits at call with futures clearing house and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statements, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

(f) Trade and Other Receivables

Receivables are recognised and carried at the original invoice amount, less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of an amount is no longer probable. Bad debts are written off when identified.

Amounts are generally received within 30 days of being recorded as receivables.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Trade and Other Payables

Liabilities for creditors are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Funds.

Payables include outstanding settlements on the purchase of financial assets and liabilities held for trading and distributions payable. The carrying period is dictated by market conditions and is generally less than 30 days.

(h) Taxation

Under current legislation, the Funds are not subject to income tax provided the unitholders are presently entitled to the income of the Funds and the Funds fully distribute their taxable income.

(i) Distributions

In accordance with the Funds' Constitutions, the Funds fully distribute their distributable income to unitholders. Distributions are payable at the end of each month, quarter or half-year. Such distributions are determined by reference to the taxable income of the Funds. Distributable income includes capital gains arising from the disposal of financial assets and liabilities held for trading. Unrealised gains and losses on financial assets and liabilities held for trading that are recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any realised capital gains.

(j) Net Assets Attributable to Unitholders

Under AASB 132 "Financial Instruments: Disclosure and Presentation", contractual obligations are regarded as liabilities. As unitholders have the ability to redeem units from the Funds, all net assets attributable to unitholders have been recognised as liabilities of the Funds, rather than as equity. The classification of net assets attributable to unitholders does not alter the underlying economic interest of the unitholders in the net assets and net profit attributable to unitholders of the Funds.

(k) Unit Prices

Unit prices are determined in accordance with the Fund's Constitution and are calculated as the net assets attributable to unitholders, divided by the number of units on issue. Financial assets and liabilities held for trading for unit pricing purposes are valued on a "last sale" price basis.

(l) Terms and Conditions on Units

Each unit issued confers upon the unitholder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- receive income distributions;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Goods and Services Tax (GST)

Income, expenses and assets, with the exception of receivables and payables, are recognised net of the amount of GST to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated inclusive of GST.

Reduced input tax credits (RITC) recoverable by the Funds from the Australian Taxation Office are recognised as receivables in the Balance Sheets.

Cash flows are included in the Cash Flow Statements on a gross basis. The GST component of cash flows, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(n) Expense Recognition

Expenses are recognised in the Income Statements when the Funds have a present obligation (legal or constructive) as a result of a past event that can be reliably measured. Expenses are recognised in the Income Statements if expenditure does not produce future economic benefits that qualify for recognition in the Balance Sheets.

(o) Use of estimates

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(p) Foreign Currency

Foreign Currency Transactions

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the Balance Sheets date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in a previous financial report, are recognised in the profit or loss in the period in which they arise.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Foreign Currency (continued)

Foreign Currency Translations (continued)

Items included in the Funds' Financial Statements are measured using the currency of the primary economic environment in which it operates ("the functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds competes for funds and is regulated. The Australian dollar is also the Funds presentation currency.

The Funds do not isolate that portion of gains or losses on securities and derivative financial instruments that are measured at fair value through profit and loss and which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit and loss.

(q) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The impact of these new standards and interpretations is set below:

- AASB 8 "Operating Segments" and AASB 2007-3 "Amendments to Australian Accounting Standards" arising from AASB 8.

AASB 8 and AASB 2007 - 3 are effective for annual reporting periods beginning on or after 1 January 2009. The Funds have not adopted these standards early. Application of these standards will not affect any of the amounts recognised in the financial statements, but may affect the segment disclosures provided in Note 10.

- Revised AASB 101 "Presentation of Financial Statements Revised" and AASB 2007-8 "Amendments to Australian Accounting Standards" arising from AASB 101.

AASB 101 (Revised) is applicable to annual reporting beginning on or after 1 January 2009. The Fund has not adopted this standard early. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity will not affect any amounts recognised in the financial statements. If a Fund has made a prior period adjustment or has re-classified items in the financial statement, it will need to disclose a third Balance Sheet, this one being at the beginning of the comparative period.

- AASB 132 Financial Instruments: Presentation and AASB 2008-2 Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations Arising on Liquidation (Revised AASB 132).

Revised AASB 132 is applicable for reporting periods beginning on or after 1 January 2009. The Funds have not adopted this standard early. Application of this standard will not affect any of the amounts recognised in the financial statements as the Funds are obligated to distribute all of its taxable income in accordance with the Fund's Constitution. Accordingly, there will be no change to classification of unitholders' funds as a liability and therefore no impact on profit or loss and equity.

- AASB 7 Financial Instruments: Disclosure and AASB 2009-2 Amendments to Australian Accounting Standards - Improving Disclosures about Financial Instruments

Revised AASB 7 is applicable for reporting periods beginning on or after 1 January 2009. The Funds' have not adopted this standard early. The amendments require fair value measurement disclosures to be classified into a new three-level hierarchy and additional disclosures for items whose fair value is determined by valuation techniques rather than observable market values. The amendments will not affect any of the amounts recognised in the financial statements but may affect certain disclosures.

(r) Comparatives

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures and presentation in the current year.

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

2. AUDITORS' REMUNERATION

Auditors' remuneration in respect of auditing the financial reports is fully paid by the Responsible Entity.

Other services provided by the auditors are the audit of the compliance plan of the Funds and tax compliance services. The auditors' non-audit remuneration is not paid by the Funds.

3. INTEREST INCOME

The following table summarises the interest income earned by the Funds that invest primarily in fixed interest and money market securities. All other funds' interest income is earned from cash and cash equivalents.

	Colonial First State Wholesale Short Term Australian Bond Fund	
	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Cash and cash equivalents	1,895	3,018
Money market securities	1,915	3,512
Fixed interest securities	36,207	75,176
Interest rate swaps	2,555	(3,641)
Total Interest Income	42,572	78,065

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

4. DISTRIBUTIONS TO UNITHOLDERS

The Responsible Entity adopts the policy of distributing as a minimum the net income for tax purposes. The amounts shown as "Distribution payable" in the Balance Sheets represents the component of the final distribution for the year which had not been paid at balance date.

Quarterly and half-yearly distributing Funds:

The amounts distributed or proposed to be distributed to unitholders in cents per unit (cpu) during the year were:

Period ended:	Colonial First State Wholesale Short Term Australian Bond Fund				Colonial First State Wholesale Australian Share Fund			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008		01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	cpu	\$'000	cpu	\$'000	cpu	\$'000	cpu	\$'000
- 31 August	0.75	7,717	-	-	-	-	-	-
- 30 September	0.80	5,392	1.41	19,852	1.50	14,355	1.56	16,097
- 31 December	1.80	10,468	1.70	25,041	0.50	4,700	3.00	29,975
- 31 March	2.10	11,411	1.30	15,854	-	-	3.85	37,518
- 30 June	1.63	15,387	1.16	12,994	1.52	13,732	4.85	47,075
Distributions to unitholders		42,658		73,741		32,787		130,665

Period ended:	Colonial First State Wholesale Industrial Share Fund				Colonial First State Wholesale Small Companies - Core			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008		01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	cpu	\$'000	cpu	\$'000	cpu	\$'000	cpu	\$'000
- 30 September	1.60	10,946	1.40	10,840	n/a	n/a	n/a	n/a
- 31 December	2.70	17,875	4.75	35,604	1.00	2,873	20.70	93,432
- 31 March	0.60	4,073	5.60	42,823	n/a	n/a	n/a	n/a
- 30 June	0.77	4,713	5.70	44,890	2.26	7,255	-	-
Distributions to unitholders		37,607		134,157		10,128		93,432

Period ended:	Colonial First State Wholesale Global Health & Biotechnology Fund				Colonial First State Wholesale Global Technology & Communications Fund			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008		01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	cpu	\$'000	cpu	\$'000	cpu	\$'000	cpu	\$'000
- 31 December	-	-	-	-	-	-	-	-
- 30 June	-	-	0.08	32	0.42	187	0.62	317
Distributions to unitholders		-		32		187		317

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

5. FINANCIAL ASSETS HELD FOR TRADING

	Colonial First State Wholesale Short Term Australian Bond Fund		Colonial First State Wholesale Australian Share Fund		Colonial First State Wholesale Industrial Share Fund	
	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000
Financial Assets Held for Trading:						
Listed Equities						
- Australian stock exchange	-	-	1,243,716	1,570,222	567,128	853,934
- International stock exchanges	-	-	31,432	46,616	10,294	15,165
Managed Investment Schemes						
- Related Managed Investment Schemes	74,481	3,254	-	-	-	-
Money Market Securities						
- Floating Rate Notes	21,215	32,393	-	-	-	-
Domestic Fixed Interest						
- Government Bonds	-	85,081	-	-	-	-
- Semi-Govt Bonds	287,423	351,717	-	-	-	-
- Corporate Bonds	141,420	648,805	-	-	-	-
Derivatives						
- Futures	-	-	32	-	-	-
- Swaps	8,789	2,384	-	-	-	-
Total Assets Held for Trading	533,328	1,123,634	1,275,180	1,616,838	577,422	869,099

	Colonial First State Wholesale Small Companies - Core		Colonial First State Wholesale Global Health & Biotechnology Fund		Colonial First State Wholesale Global Technology & Communications Fund	
	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000
Financial Assets Held for Trading:						
Listed Equities						
- Australian stock exchange	299,012	495,415	-	-	-	-
- International stock exchanges	10,495	31,991	24,111	28,098	20,627	28,249
Total Assets Held for Trading	309,507	527,406	24,111	28,098	20,627	28,249

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

6. FINANCIAL LIABILITIES HELD FOR TRADING

	Colonial First State Wholesale Short Term Australian Bond Fund		Colonial First State Wholesale Australian Share Fund		Colonial First State Wholesale Industrial Share Fund	
	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000
Financial Liabilities Held for Trading:						
Derivatives						
- Futures	162	-	-	1,422	-	-
- Options	-	-	1,141	2,907	-	-
- Swaps	3,219	8,036	-	-	-	-
Total Assets Held for Trading	3,381	8,036	1,141	4,329	-	-

	Colonial First State Wholesale Small Companies - Core		Colonial First State Wholesale Global Health &		Colonial First State Wholesale Global Technology & Communications Fund	
	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000	30/06/2009 \$'000	30/06/2008 \$'000
Financial Liabilities Held for Trading:						
Derivatives						
- Futures	31	285	-	-	-	-
Total Assets Held for Trading	31	285	-	-	-	-

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

7. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

As stipulated within the Funds' Constitution, each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds.

(a) **Movements in number of units and net assets attributable to unitholders during the year were as follows:**

	Colonial First State Wholesale Short Term Australian Bond Fund			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	No.'000	\$'000	No.'000	\$'000
Opening balance	1,132,946	1,145,355	1,545,197	1,565,194
Applications	63,945	67,045	203,976	207,070
Redemptions	(756,804)	(786,270)	(689,317)	(700,129)
Units issued upon reinvestment of distributions	37,900	39,384	73,090	73,716
Change in net assets attributable to unitholders from operations		28,267		(496)
Closing Balance	477,987	493,781	1,132,946	1,145,355

	Colonial First State Wholesale Australian Share Fund			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	No.'000	\$'000	No.'000	\$'000
Opening balance	995,535	1,701,371	1,078,477	2,326,298
Applications	65,009	95,562	77,483	162,302
Redemptions	(168,453)	(241,791)	(223,051)	(462,991)
Units issued upon reinvestment of distributions	19,999	29,487	62,626	118,255
Change in net assets attributable to unitholders from operations		(281,357)		(442,493)
Closing Balance	912,090	1,303,272	995,535	1,701,371

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

7. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

(a) Movements in number of units and net assets attributable to unitholders during the year were as follows: (continued)

	Colonial First State Wholesale Industrial Share Fund			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	No.'000	\$'000	No.'000	\$'000
Opening balance	828,658	903,236	808,783	1,368,015
Applications	33,713	34,090	39,853	57,685
Redemptions	(286,051)	(299,915)	(122,512)	(193,204)
Units issued upon reinvestment of distributions	40,724	37,565	102,534	134,018
Change in net assets attributable to unitholders from operations		(80,303)		(463,278)
Closing Balance	617,044	594,673	828,658	903,236

	Colonial First State Wholesale Small Companies - Core			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	No.'000	\$'000	No.'000	\$'000
Opening balance	458,922	549,472	504,728	948,899
Applications	210,389	187,935	43,196	67,025
Redemptions	(351,818)	(321,320)	(135,353)	(220,424)
Units issued upon reinvestment of distributions	10,559	9,584	46,351	75,992
Change in net assets attributable to unitholders from operations		(105,862)		(322,020)
Closing Balance	328,052	319,809	458,922	549,472

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

7. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

(a) Movements in number of units and net assets attributable to unitholders during the year were as follows: (continued)

	Colonial First State Wholesale Global Health & Biotechnology Fund			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	No.'000	\$'000	No.'000	\$'000
Opening balance	40,582	28,912	50,618	43,379
Applications	1,743	1,352	2,323	1,894
Redemptions	(6,265)	(4,840)	(12,401)	(10,080)
Units issued upon reinvestment of distributions	-	-	42	30
Change in net assets attributable to unitholders from operations		(271)		(6,311)
Closing Balance	36,060	25,153	40,582	28,912

	Colonial First State Wholesale Global Technology & Communications Fund			
	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	No.'000	\$'000	No.'000	\$'000
Opening balance	51,681	29,612	62,878	45,569
Applications	5,772	3,158	6,540	4,632
Redemptions	(13,017)	(7,132)	(18,238)	(12,630)
Units issued upon reinvestment of distributions	362	171	501	287
Change in net assets attributable to unitholders from operations		(4,689)		(8,246)
Closing Balance	44,798	21,120	51,681	29,612

b) Capital Risk Management

The Funds manage their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of unitholders.

The Funds monitor the level of daily applications and redemptions relative to the liquid assets in the Funds. Liquid assets include cash and cash equivalents and listed equities.

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

8. CASH AND CASH EQUIVALENTS

(a) Reconciliation of net profit/(loss) attributable to unitholders to net cash from operating activities

	Colonial First State Wholesale Short Term Australian Bond Fund		Colonial First State Wholesale Australian Share Fund		Colonial First State Wholesale Industrial Share Fund	
	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Net profit/(Net loss) attributable to unitholders	70,925	73,245	(248,570)	(311,828)	(42,696)	(329,121)
Proceeds from sale of financial instruments held for trading	1,058,707	1,145,830	993,571	1,239,662	543,420	805,154
Payments for purchase of financial instruments held for trading	(453,863)	(708,249)	(933,401)	(940,793)	(308,482)	(715,556)
Changes in fair value of financial instruments held for trading	(30,094)	2,063	300,478	363,472	76,405	377,601
Distribution/Dividend income reinvested	(1,263)	(3,051)	(22,179)	(13,389)	(19,667)	(16,372)
Net foreign exchange loss	-	-	-	(36)	-	(2)
Changes in assets and liabilities:						
Outstanding sales settlements	-	-	2,721	15,049	-	3,086
Dividends receivable	-	-	1,343	2,358	2,013	1,833
Interest receivable	12,259	6,505	274	(47)	125	44
Other receivables	72	39	338	68	127	101
Outstanding purchase settlements	45,162	-	2,679	(4,375)	(5,380)	2,124
Other payables	-	-	-	1	-	2
Responsible Entity fees	(261)	(139)	(405)	(559)	(261)	(382)
Net Cash From Operating Activities	701,644	516,243	96,849	349,583	245,604	128,512

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

8. CASH AND CASH EQUIVALENTS (continued)

(a) Reconciliation of net profit/(loss) attributable to unitholders to net cash from operating activities (continued)

	Colonial First State Wholesale Small Companies - Core		Colonial First State Wholesale Global Health & Biotechnology Fund		Colonial First State Wholesale Global Technology & Communications Fund	
	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Net loss attributable to unitholders	(95,734)	(228,588)	(271)	(6,279)	(4,502)	(7,929)
Proceeds from sale of financial instruments held for trading	432,287	1,023,839	26,736	24,294	46,060	53,955
Payments for purchase of financial instruments held for trading	(320,306)	(855,780)	(23,014)	(16,802)	(43,242)	(46,003)
Changes in fair value of financial instruments held for trading	106,045	246,610	422	6,258	4,949	8,061
Distribution/Dividend income reinvested	(431)	(5,231)	-	-	-	-
Net foreign exchange gain/(loss)	50	312	(157)	34	(145)	134
Changes in assets and liabilities:						
Outstanding sales settlements	(312)	4,705	(93)	-	69	(34)
Dividends receivable	1,241	370	(11)	34	(51)	18
Interest receivable	77	11	5	(3)	5	(2)
Other receivables	108	81	2	7	4	6
Outstanding purchase settlements	(8,248)	1,762	-	(14)	101	71
Other payables	(1)	2	-	2	(3)	-
Responsible Entity fees	(231)	(395)	(4)	(15)	(8)	(16)
Net Cash From Operating Activities	114,545	187,698	3,615	7,516	3,237	8,261

(b) Non-cash financing activities carried out during the year on normal commercial terms and conditions included:

- Reinvestment of unitholders distributions as disclosed in Note 7(a) under "Units issued upon reinvestment of distributions".

- Participation in distribution/dividend reinvestment plans as disclosed in Note 8(a) under "Distribution/Dividend income reinvested".

(c) Terms and conditions on cash

Cash at bank and in hand, margin accounts and deposits at call with a futures clearing house, earn interest at floating rate as determined by the financial institutions.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

9. RELATED PARTIES DISCLOSURES

(a) Responsible Entity

The Responsible Entity of the Funds is Colonial First State Investments Limited. The ultimate holding company is the Commonwealth Bank of Australia (the Bank).

The Responsible Entity is incorporated and domiciled in Australia and has its registered office at Level 29, 52 Martin Place, Sydney, New South Wales, 2000.

(b) Details of Key Management Personnel

(i) Key Management Personnel

The Directors of Colonial First State Investments Limited are considered to be Key Management Personnel. The Directors of the Responsible Entity in office during the year and up to the date of the report are:

Grahame Anthony Petersen	
Michael John Venter	
Brian Vincent Bissaker	
Gregg Johnston	Appointed 04/08/2009
Peter Robert Winney	
Bradley Brian Massey	
Paul Alexander Rayson	Resigned 28/07/2009

(ii) Compensation of Key Management Personnel

No amounts are paid by the Funds directly to the Directors of the Responsible Entity of the Funds.

The Directors of the Responsible Entity receive compensation in their capacity as Directors of the Responsible Entity. Directors are employed as executives of the Commonwealth Bank of Australia, and in that capacity, part of their role is to act as a Director of the Responsible Entity. Consequently, no compensation as defined in AASB 124: Related Parties is paid by the Funds to the Directors as Key Management Personnel.

(c) Responsible Entity's Management Fees

Under the terms of the Constitutions, the Responsible Entity is entitled to receive monthly management fees which are expressed as a percentage of the total assets of each Fund (i.e. excluding liabilities). Management fees are paid directly by the Funds. The table below shows the current fee rates charged.

Where monies are invested into other funds managed by the Responsible Entity the management fees are calculated after rebating fees charged in the underlying funds. As a consequence, the amounts shown in the Income Statements reflect only the amount of fees charged directly to the respective Funds.

The management fees rate charged for the year/period are as follows:

	2009 Management Fees %	2008 Management Fees %
Colonial First State Wholesale Short Term Australian Bond Fund	0.45	0.45
Colonial First State Wholesale Australian Share Fund	0.95	0.95
Colonial First State Wholesale Industrial Share Fund	0.95	0.95
Colonial First State Wholesale Small Companies - Core	1.10	1.10
Colonial First State Wholesale Global Health & Biotechnology Fund	1.15	1.15
Colonial First State Wholesale Global Technology & Communications Fund	1.15	1.15

The actual management fee rate charged for global investing Funds are lower than those disclosed above. This is due to these Funds being entitled to claim 100% of the Good and Services Tax ("GST") as compared to 75% for domestic investing Funds.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

9. RELATED PARTIES DISCLOSURES (continued)

(c) Responsible Entity's Management Fees (continued)

The Responsible Entity's management fees charged for the years ended 30 June 2009 and 30 June 2008 are as follows:

	01/07/2008 - 30/06/2009	01/07/2007 - 30/06/2008
	\$	\$
Colonial First State Wholesale Short Term Australian Bond Fund	2,992,727	5,879,005
Colonial First State Wholesale Australian Share Fund	12,748,346	19,665,668
Colonial First State Wholesale Industrial Share Fund	6,105,682	11,060,908
Colonial First State Wholesale Small Companies - Core	3,498,863	8,096,306
Colonial First State Wholesale Global Health & Biotechnology Fund	332,767	397,609
Colonial First State Wholesale Global Technology & Communications Fund	277,187	425,407

Fees due to the Responsible Entity as at year ended 30 June 2009 and 30 June 2008 are as follows:

	2009	2008
	\$	\$
Colonial First State Wholesale Short Term Australian Bond Fund	187,770	448,476
Colonial First State Wholesale Australian Share Fund	1,030,723	1,436,216
Colonial First State Wholesale Industrial Share Fund	500,501	761,105
Colonial First State Wholesale Small Companies - Core	315,346	546,349
Colonial First State Wholesale Global Health & Biotechnology Fund	25,549	29,284
Colonial First State Wholesale Global Technology & Communications Fund	21,904	30,383

(d) Bank and Deposit Accounts

The bank accounts and 11am deposit accounts for the Funds may be held with the Commonwealth Bank of Australia. Fees and expenses are negotiated on an arm's length basis. Various short term money market, fixed interest securities and foreign currency transactions are from time to time transacted through the Commonwealth Bank of Australia which receives a fee which is negotiated on an arm's length basis.

(e) Related Party Investments of the Funds

Other Funds managed by the Responsible Entity or its affiliates may from time to time purchase or redeem units in the Funds. Such activity is undertaken in the ordinary course of business at entry and exit prices available to all investors at the time of the transaction.

The interests of Colonial First State Investments Limited and its associates in the Funds at the end of the reporting period are set out below:

	2009 Number of Units No.'000	2008 Number of Units No.'000
Colonial First State Wholesale Short Term Australian Bond Fund	419,451	1,079,454
Colonial First State Wholesale Australian Share Fund	692,312	759,563
Colonial First State Wholesale Industrial Share Fund	615,254	826,696
Colonial First State Wholesale Small Companies - Core	202,229	324,290
Colonial First State Wholesale Global Health & Biotechnology Fund	29,740	33,066
Colonial First State Wholesale Global Technology & Communications Fund	36,911	41,331

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

9. RELATED PARTIES DISCLOSURES (continued)

(f) Related Party Transactions

Related parties

Transactions between the Funds and other registered Funds also managed by the Responsible Entity consisted of the sale of units in the Funds to related Managed Investment Schemes, purchases of units in related Managed Investment Schemes, and receipt and payment of distributions on normal commercial terms and conditions.

The amounts outstanding payable or receivable at 30 June 2009 represent the value of the units (financial liability of the Schemes) issued or held and any amount of interest expense payable or receivable.

Terms and conditions of transactions with related parties

All related party transactions are made in arms length transactions on normal commercial terms and conditions. Outstanding balances at year end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables.

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

9. RELATED PARTIES DISCLOSURES (continued)

(g) Investing Activities

(i) Managed investment schemes

The following Funds held investments in the following schemes which were managed by Colonial First State Investments Limited. Distributions received are immediately reinvested into additional units.

Investment Name	Units Held at Year/ Period End No.'000	Value of Investment at Year/ Period End \$'000	Interest held in Investment at Year/ Period End %	Units Acquired During Year/ Period No.'000	Units Disposed of During Year/ Period No.'000	Distribution Received \$'000
------------------------	--	--	---	--	---	--

Colonial First

State Wholesale Short Term Australian Bond Fund

Units held in Colonial

First State

Wholesale Cash Fund

- 2009	73,912	74,481	1.15%	220,110	149,429	1,263
- 2008	3,231	3,254	0.06%	171,238	258,629	3,051

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

9. RELATED PARTIES DISCLOSURES (continued)

(g) Investing Activities (continued)

(ii) Listed Securities

The following Funds held listed securities with the Bank and its associates as follows:

Securities name	Shares/ Units Held at Year End No.	Value of Investment at Year End \$'000	Interest held in Investment at Year End %	Shares/ Units acquired During Year No.	Shares/ Units disposed of During Year No.	Dividend/ Distribution received \$'000
-----------------	--	--	---	---	--	---

Colonial First State Wholesale Australian Share Fund

Commonwealth Bank of Australia

- 2009	2,168	84,391	0.17	1,524	1,372	5,051
- 2008	2,016	80,941	0.16	347	1,006	6,019

CFS Retail Property Trust

- 2009	-	-	0.00	3,526	3,526	111
- 2008	-	-	0.00	-	-	-

Colonial First State Wholesale Industrial Share Fund

Commonwealth Bank of Australia

- 2009	1,301	50,636	0.10	1,057	1,602	3,988
- 2008	1,846	74,135	0.15	764	381	4,995

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

9. RELATED PARTIES DISCLOSURES (continued)

(g) Investing Activities (continued)

(iii) Fixed Interests

The following Fund held fixed interest in the Bank and its associates as follows:

Counterparty	Market Value
	\$'000

Colonial First State Wholesale Short Term Australian Bond Fund

Commonwealth Bank of Australia

- 2009	15,210
- 2008	54,773

Commonwealth Property Office Fund

- 2009	976
- 2008	-

(iv) Swaps

The following Fund held swap in the Bank and its associates as follows:

Counterparty	Notional Principal Amount	Market Value
	\$'000	\$'000

Colonial First State Wholesale Short Term Australian Bond Fund

Commonwealth Bank of Australia

- 2009	185,000	4,190
- 2008	185,000	(4,535)

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

10. SEGMENT INFORMATION

The Funds operate in one business segment, being investment management. The Funds operate from one geographic location being Australia, from where their investing activities are managed. Revenue is derived from dividends, distributions, interest, gains on the sale of investments, and unrealised changes in the value of investments.

11. FINANCIAL RISK MANAGEMENT

The Funds' activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Funds' overall risk management programme focuses on ensuring compliance with the Fund's Information Memorandum and seeks to maximise the returns derived for the level of risk to which the Funds are exposed. Certain Funds use derivative financial instruments to alter certain risk exposures. Financial risk management is carried out by the respective investment management departments (Investment Managers) and regularly monitored by the Compliance Department of the Responsible Entity.

The Funds use different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ratings analysis for credit risk.

(a) Market Risk

(i) Price risk

The Funds' financial assets are either directly or indirectly exposed to price risk. This arises from investments held by the Funds for which prices in the future are uncertain. They are classified on the balance sheet at fair value through profit or loss. All securities investments present a risk of loss of capital.

Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates. Paragraph (ii) below sets out how this component of price risk is managed and measured.

The Investment Managers mitigate price risk through diversification and a careful selection of securities and other financial instruments within specified limits and guidelines in accordance with the Information Memorandum or Constitutions and are regularly monitored by the Compliance Department of the Responsible Entity.

The table in Note 11(b) summarises the impact of an increase/decrease of the Australian and global indexes on the Funds' net assets attributable to unitholders at 30 June 2009 and 30 June 2008. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled in Note 11(b) with all other variables held constant and that the fair value of the Funds' which have indirect exposures to equity securities and derivatives moved according to the historical correlation with the indexes. Funds that invest in various asset classes, such as multi-sector Funds, will have a weighted average movement calculated based on the proportion of their investments in the those classes.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign exchange risk

Certain Funds hold both monetary and non-monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates. The risk is measured using sensitivity analysis.

Certain Funds manage this risk by entering into foreign exchange forward contracts to hedge the risks. The terms and conditions of these contracts rarely exceed twelve months and are contracted in accordance with the investment guidelines. However, for accounting purposes, these Funds do not designate any derivatives as hedges in a hedging relationship, and hence these derivative financial instruments are classified as at fair value through profit or loss.

The Compliance Department of the Responsible Entity regularly monitors these hedging activities.

The table below summarises the Funds' assets and liabilities that are denominated in a currency other than the Australian dollar.

	Colonial First State Wholesale Small Companies - Core				
	New Zealand Dollar				Others
	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
30/06/2009					
Cash and cash equivalents	2,108	-	-	-	-
Financial assets held for trading	3,203	-	-	-	-
	5,311	-	-	-	-

	Colonial First State Wholesale Small Companies - Core				
	New Zealand Dollar				Others
	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
30/06/2008					
Cash and cash equivalents	2,108	-	-	-	-
	2,108	-	-	-	-

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(ii) Foreign exchange risk (continued)

	Colonial First State Wholesale Global Health & Biotechnology Fund				
	United States Dollar	Japanese Yen	European Euro	Swiss Franc	Others
	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
30/06/2009					
Cash and cash equivalents	255	-	-	-	-
Receivables	106	-	-	-	-
Financial assets held for trading	21,396	1,699	538	478	-
	21,757	1,699	538	478	-

	Colonial First State Wholesale Global Health & Biotechnology Fund				
	United States Dollar	Japanese Yen	European Euro	Swiss Franc	Others
	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
30/06/2008					
Cash and cash equivalents	255	-	-	-	-
Receivables	3	-	-	-	-
Financial assets held for trading	23,206	3,000	1,268	356	268
	23,464	3,000	1,268	356	268

	Colonial First State Wholesale Global Technology & Communications Fund				
	United States Dollar	European Euro	Uk Pound Sterling	South African Rand	Others
	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
30/06/2009					
Cash and cash equivalents	271	-	-	-	-
Receivables	443	-	5	-	50
Financial assets held for trading	17,561	1,226	446	339	1,055
Payables	(407)	-	-	-	(30)
	17,868	1,226	451	339	1,075

	Colonial First State Wholesale Global Technology & Communications Fund				
	United States Dollar	European Euro	Taiwan Dollar	Norwegian Kroner	Others
	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000	AUD \$'000
30/06/2008					
Cash and cash equivalents	272	-	-	-	(1)
Receivables	514	-	-	-	2
Financial assets held for trading	23,182	1,160	711	623	2,573
Payables	(337)	-	-	-	-
	23,631	1,160	711	623	2,574

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk

The Funds which have investments in interest bearing financial assets are exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Funds are exposed to cash flow interest rate risk on financial instruments at variable rates. Financial instruments at fixed rates expose the Funds to fair value interest rate risk. The risk is measured using sensitivity analysis.

Certain Funds may also enter into derivatives financial instruments to mitigate the risk of future interest rate changes in accordance with the risk policies and guidelines of the Investment Managers. These transactions are regularly monitored by the Compliance Department of the Responsible Entity.

The table below summarises the Funds' exposure to interest rate risks. It includes the Funds' assets and liabilities at fair values.

	Colonial First State Wholesale Short Term Australian Bond Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
30/06/2009	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	10,035	-	-	10,035
Receivables	-	-	158	158
Financial assets held for trading	21,215	428,843	74,481	524,539
Derivatives	8,789	-	-	8,789
Financial liabilities				
Payables	-	-	(46,359)	(46,359)
Financial liabilities held for trading - Derivatives	-	(3,381)	-	(3,381)
	40,039	425,462	28,280	493,781
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	375,000	(375,000)	-	-
Net exposure	415,039	50,462	28,280	493,781

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk (continued)

	Colonial First State Wholesale Short Term Australian Bond Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2008				
Financial assets				
Cash and cash equivalents	29,957	-	-	29,957
Receivables	-	-	254	254
Financial assets held for trading	32,393	1,085,603	3,254	1,121,250
Derivatives	-	2,384	-	2,384
Financial liabilities				
Payables	-	-	(454)	(454)
Financial liabilities held for trading - Derivatives	-	(8,036)	-	(8,036)
	62,350	1,079,951	3,054	1,145,355
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	378,000	(378,000)	-	-
Net exposure	440,350	701,951	3,054	1,145,355

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk (continued)

	Colonial First State Wholesale Australian Share Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2009				
Financial assets				
Cash and cash equivalents	29,129	-	-	29,129
Receivables	-	-	12,802	12,802
Financial assets held for trading	-	-	1,275,148	1,275,148
Derivatives	-	-	32	32
Financial liabilities				
Payables	-	-	(12,603)	(12,603)
Bank overdraft	(95)	-	-	(95)
Financial liabilities held for trading - Derivatives	-	-	(1,141)	(1,141)
Net exposure	29,034	-	1,274,238	1,303,272

	Colonial First State Wholesale Australian Share Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2008				
Financial assets				
Cash and cash equivalents	84,892	-	-	84,892
Receivables	-	-	17,364	17,364
Financial assets held for trading	-	-	1,616,838	1,616,838
Financial liabilities				
Payables	-	-	(13,394)	(13,394)
Financial liabilities held for trading - Derivatives	-	-	(4,329)	(4,329)
Net exposure	84,892	-	1,616,479	1,701,371

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk (continued)

	Colonial First State Wholesale Industrial Share Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2009				
Financial assets				
Cash and cash equivalents	11,990	-	-	11,990
Receivables	-	-	5,782	5,782
Financial assets held for trading	-	-	577,422	577,422
Financial liabilities				
Payables	-	-	(521)	(521)
Net exposure	11,990	-	582,683	594,673

	Colonial First State Wholesale Industrial Share Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2008				
Financial assets				
Cash and cash equivalents	32,301	-	-	32,301
Receivables	-	-	8,045	8,045
Financial assets held for trading	-	-	869,099	869,099
Financial liabilities				
Payables	-	-	(6,209)	(6,209)
Net exposure	32,301	-	870,935	903,236

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk (continued)

	Colonial First State Wholesale Small Companies - Core			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2009				
Financial assets				
Cash and cash equivalents	9,678	-	-	9,678
Receivables	-	-	4,546	4,546
Financial assets held for trading	-	-	309,507	309,507
Financial liabilities				
Payables	-	-	(3,891)	(3,891)
Financial liabilities held for trading - Derivatives	-	-	(31)	(31)
Net exposure	9,678	-	310,131	319,809

	Colonial First State Wholesale Small Companies - Core			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2008				
Financial assets				
Cash and cash equivalents	29,850	-	-	29,850
Receivables	-	-	5,237	5,237
Financial assets held for trading	-	-	527,406	527,406
Financial liabilities				
Payables	-	-	(12,736)	(12,736)
Financial liabilities held for trading - Derivatives	-	-	(285)	(285)
Net exposure	29,850	-	519,622	549,472

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk (continued)

	Colonial First State Wholesale Global Health & Biotechnology Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2009				
Financial assets				
Cash and cash equivalents	934	-	-	934
Receivables	-	-	139	139
Financial assets held for trading	-	-	24,111	24,111
Financial liabilities				
Payables	-	-	(31)	(31)
Net exposure	934	-	24,219	25,153

	Colonial First State Wholesale Global Health & Biotechnology Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2008				
Financial assets				
Cash and cash equivalents	847	-	-	847
Receivables	-	-	50	50
Financial assets held for trading	-	-	28,098	28,098
Financial liabilities				
Payables	-	-	(83)	(83)
Net exposure	847	-	28,065	28,912

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk (continued)

	Colonial First State Wholesale Global Technology & Communications Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2009				
Financial assets				
Cash and cash equivalents	460	-	-	460
Receivables	-	-	509	509
Financial assets held for trading	-	-	20,627	20,627
Financial liabilities				
Payables	-	-	(476)	(476)
Net exposure	460	-	20,660	21,120

	Colonial First State Wholesale Global Technology & Communications Fund			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000
30/06/2008				
Financial assets				
Cash and cash equivalents	1,243	-	-	1,243
Receivables	-	-	546	546
Financial assets held for trading	-	-	28,249	28,249
Financial liabilities				
Payables	-	-	(426)	(426)
Net exposure	1,243	-	28,369	29,612

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(iii) Interest rate risk (continued)

An analysis of financial liabilities by maturities is provided in paragraph (d) below.

The table in Note 11(b) summarises the impact of an increase/decrease of interest rates on the Funds' operating profit and net assets attributable to unitholders through changes in fair value or changes in future cash flows. The analysis is based on the assumption that interest rates changed by +/- 50 basis points (2008: +/- 75 basis points) from the year end rates with all other variables held constant. The impact mainly arises from changes in the fair value of fixed interest securities.

(b) Summarised Sensitivity Analysis

The following table summarises the sensitivity of the Funds' operating profit or loss and net assets attributable to unitholders to interest rate risk, foreign exchange risk and other price risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates, historical correlation of the Funds' investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performance of the economies, markets and securities in which the Funds invest. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

Colonial First State Wholesale Short Term Australian Bond Fund						
Interest rate risk		Foreign exchange risk		Price risk		
Impact on operating profit/(loss) and net assets attributable to unitholders						
	-50 basis points \$'000	+50 basis points \$'000	-9.20% \$'000	9.20% \$'000	-1.23% \$'000	1.36% \$'000
30/06/2009	5,117	(5,674)	-	-	(916)	1,013
	-75 basis points \$'000	+75 basis points \$'000	-10.10% \$'000	10.10% \$'000	-1.23% \$'000	1.36% \$'000
30/06/2008	12,885	(14,296)	-	-	(40)	44

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Wholesale Australian Share Fund						
Interest rate risk		Foreign exchange risk		Price risk		
Impact on operating profit/(loss) and net assets attributable to unitholders						
-50 basis points	+50 basis points	-9.20%	9.20%	-32.02%	32.02%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2009	(146)	146	(245)	245	(407,961)	407,961
-75 basis points	+75 basis points	-10.10%	10.10%	-15.00%	30.00%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2008	(637)	637	-	-	(241,876)	483,752

Colonial First State Wholesale Industrial Share Fund						
Interest rate risk		Foreign exchange risk		Price risk		
Impact on operating profit/(loss) and net assets attributable to unitholders						
-50 basis points	+50 basis points	-9.20%	9.20%	-32.04%	32.04%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2009	(60)	60	-	-	(185,023)	185,023
-75 basis points	+75 basis points	-10.10%	10.10%	-15.00%	30.00%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2008	(242)	242	-	-	(130,365)	260,729

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Wholesale Small Companies - Core						
Interest rate risk		Foreign exchange risk		Price risk		
Impact on operating profit/(loss) and net assets attributable to unitholders						
-50 basis points	+50 basis points	-9.20%	9.20%	-31.99%	31.99%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2009	(48)	48	(194)	194	(99,006)	99,006
-75 basis points	+75 basis points	-10.10%	10.10%	-15.00%	30.00%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2008	(224)	224	(213)	213	(79,068)	158,136

Colonial First State Wholesale Global Health & Biotechnology Fund						
Interest rate risk		Foreign exchange risk		Price risk		
Impact on operating profit/(loss) and net assets attributable to unitholders						
-50 basis points	+50 basis points	-9.20%	9.20%	-28.90%	28.90%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2009	(5)	5	(33)	33	(6,968)	6,968
-75 basis points	+75 basis points	-10.10%	10.10%	-15.00%	30.00%	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
30/06/2008	(6)	6	(26)	26	(4,215)	8,429

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis (continued)

Colonial First State Wholesale Global Technology & Communications Fund							
		Interest rate risk		Foreign exchange risk		Price risk	
Impact on operating profit/(loss) and net assets attributable to unitholders							
		-50 basis points \$'000	+50 basis points \$'000	-9.20% \$'000	9.20% \$'000	-28.90% \$'000	28.90% \$'000
30/06/2009		(2)	2	(111)	111	(5,961)	5,961
		-75 basis points \$'000	+75 basis points \$'000	-10.10% \$'000	10.10% \$'000	-15.00% \$'000	30.00% \$'000
30/06/2008		(9)	9	(114)	114	(4,237)	8,475

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk

Credit risk primarily arises from investments in debt securities and derivative products. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers.

Some Funds transact in derivatives in the over the counter (OTC) markets. OTC derivatives are entered into directly with the counterparty as there is no Clearing House arrangement. Such contracts are only entered into with suitably credit-worthy counterparties, whom have a minimum long term credit rating of BBB as rated by Standard and Poor's or an equivalent agency. The maximum exposure to credit risk for these OTC derivatives is their fair value, as shown in Note 5.

Certain Funds invest in debt securities which have an investment grade as rated by the Standard & Poor's rating agency. For unrated assets a rating is assigned by the Investment Manager using an approach that is consistent with the approach used by rating agencies.

The Compliance Department of the Responsible Entity regularly monitors the credit risks that arise from holding these securities.

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA or higher (as determined by the Standard and Poor's or equivalent agency).

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets and OTC derivatives. An analysis of debt securities by rating is set out in the table below for the Funds which have such securities.

	Colonial First State Wholesale Short Term Australian Bond Fund	
	30/06/2009 \$'000	30/06/2008 \$'000
Rating		
AAA	169,603	594,735
AA+	191,609	172,934
AA	9,439	42,397
AA-	20,336	97,854
A+	7,838	52,005
A	10,571	58,454
A-	25,795	37,094
Others	14,713	51,476
Non rated	154	11,046
Total	450,058	1,117,995

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable units. It therefore primarily holds investments that are traded in an active market and can be readily disposed. Only a limited proportion of its assets are held in investments not actively traded on a stock exchange.

The Funds' listed securities are considered readily realisable, as they are listed on either the Australian Stock Exchange or other recognised International Stock Exchanges.

Certain Funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, these Funds may not be able to quickly liquidate its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty. No such investments were held at year end.

The Funds' financial liabilities, excluding derivative financial liabilities, comprise trade and other payables and are contractually due within 30 days.

The table below analyses the Funds' derivative financial instruments into relevant maturity groupings based on the remaining period to the contractual maturity date at the year end date. The amounts disclosed in the table are the contractual undiscounted gross cash flows expected to be paid or received, determined by reference to the conditions existing at the year end date. The contractual amounts can be settled on a gross or net basis.

30/06/2009	Colonial First State Wholesale Short Term Australian Bond Fund						
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
Australian interest rate futures							
Inflows	-	-	-	-	-	-	-
(Outflows)	-	(162)	-	-	-	-	(162)
Interest rate swaps							
Inflows	1,243	2,170	14,508	5,380	-	-	23,301
(Outflows)	(997)	(1,475)	(9,505)	(5,836)	-	-	(17,813)

30/06/2008	Colonial First State Wholesale Short Term Australian Bond Fund						
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
Interest rate swaps							
Inflows	1,292	2,170	22,022	19,704	6,787	-	51,975
(Outflows)	(2,510)	(3,625)	(22,648)	(21,779)	(7,181)	-	(57,743)

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

11. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

30/06/2009	Colonial First State Wholesale Australian Share Fund						
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
Australian share price index futures Inflows (Outflows)	- -	32 -	- -	- -	- -	- -	32 -

30/06/2008	Colonial First State Wholesale Australian Share Fund						
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
Australian share price index futures Inflows (Outflows)	- -	- (1,422)	- -	- -	- -	- -	- (1,422)

30/06/2009	Colonial First State Wholesale Small Companies - Core						
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
Australian share price index futures Inflows (Outflows)	- -	- (31)	- -	- -	- -	- -	- (31)

30/06/2008	Colonial First State Wholesale Small Companies - Core						
	Less than 1 month \$'000	1 - 3 months \$'000	3 - 12 months \$'000	1 - 2 years \$'000	2 - 3 years \$'000	More than 3 years \$'000	Total \$'000
Australian share price index futures Inflows (Outflows)	- -	- (285)	- -	- -	- -	- -	- (285)

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair Value Estimation

The carrying amounts of the Funds' assets and liabilities at the balance sheet date approximate their fair values.

The Funds value their investments in accordance with the accounting policies set out in Note 1. The fair value of financial instruments traded in active markets (such as publicly traded derivatives and listed securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Funds is the last bid price. Derivative contracts classified as held for trading are fair valued by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.

Investments in unlisted managed investment schemes are recorded at the redemption value per unit as reported by the Responsible Entity of such funds.

The fair value of financial instruments that are not traded in an active market (such as over the counter derivatives and investments in unlisted securities) is determined using valuation techniques. These Funds use a variety of methods and make assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine the fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date.

As a result of the developments in global markets, generally known as the global financial crisis, liquidity in some investment markets has decreased significantly. As a result, the volume of trading in some of the investments held by the Funds has decreased significantly, and accordingly the valuation of those investments is subject to a greater uncertainty and requires greater judgement than would be the case in normal investment market conditions.

COLONIAL FIRST STATE WHOLESALE FUNDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

12. DERIVATIVE FINANCIAL INSTRUMENTS

In the normal course of business certain Funds enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of these Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of these Funds against a fluctuation in market values or to reduce volatility
- a substitution for trading of physical securities
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of these Funds.

Certain Funds hold the following derivative instruments:

(a) Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised market.

(b) Options

An option is a contractual agreement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or buy a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price. Options held by certain Funds are exchange-traded. These Funds are exposed to credit risk on purchased options to the extent of their carrying amount, which is their fair value. Options are settled on a gross basis.

(c) Interest rate swaps

Interest rate swap contracts are agreements under which the parties exchange one stream of interest for another. They are used to hedge cashflows against unfavourable movements in interest rates. The contracts are for interest rates on notional principal amounts and can cover, for example, fixed interest rate to floating rate or fixed rate and floating rate to fixed rate. The party with the higher interest obligation pays the net amount to the other party. The amount received is considered an offset to the interest on investment or debt hedged. At reporting dates, the differences expected to be paid or received on the maturity of the contracts are marked-to-market with the unrealised gains and losses being recognised in investment revenue.

COLONIAL FIRST STATE WHOLESALE FUNDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

12. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The Funds' derivative financial instruments at year-end are detailed below:

	Colonial First State Wholesale Short Term Australian Bond Fund					
	Contract/ Notional	Fair Values		Contract/ Notional	Fair Values	
		Assets	Liabilities		Assets	Liabilities
		30/06/2009			30/06/2008	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
- Australian interest rate futures	54,864	-	(162)	-	-	-
- Interest rate swaps	375,000	8,789	(3,219)	378,000	2,384	(8,036)
	429,864	8,789	(3,381)	378,000	2,384	(8,036)

	Colonial First State Wholesale Australian Share Fund					
	Contract/ Notional	Fair Values		Contract/ Notional	Fair Values	
		Assets	Liabilities		Assets	Liabilities
		30/06/2009			30/06/2008	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
- Australian share price index futures	2,926	32	-	52,709	-	(1,422)
- Exchange traded options	(1,141)	-	(1,141)	(2,907)	-	(2,907)
	1,785	32	(1,141)	49,802	-	(4,329)

	Colonial First State Wholesale Small Companies - Core					
	Contract/ Notional	Fair Values		Contract/ Notional	Fair Values	
		Assets	Liabilities		Assets	Liabilities
		30/06/2009			30/06/2008	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
- Australian share price index futures	1,365	-	(31)	8,179	-	(285)
	1,365	-	(31)	8,179	-	(285)

13. CONTINGENT LIABILITIES AND COMMITMENTS

As at 30 June 2009 the Funds have no contingent liabilities and commitments (2008 - none).

14. EVENTS AFTER BALANCE SHEET DATE

Since the reporting date no significant events have occurred that required reporting (2008 - none).


COLONIAL FIRST STATE WHOLESALE FUNDS

DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2009

In the opinion of the Directors of Colonial First State Investments Limited:

- a) the financial statements and notes to the financial statements of the Colonial First State Wholesale Funds ("the Funds") are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Funds' financial positions as at 30 June 2009 and of their performances for the year ended on that date; and
 - ii) complying with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable;

This declaration is made in accordance with a resolution of the directors.



Bradley Brian Massey
Director
Sydney
1 September 2009

Independent auditor's report to the unitholders of Colonial First State Wholesale Funds

Report on the financial report

We have audited the accompanying financial report of Colonial First State Wholesale Funds (the Funds), which comprises the balance sheets as at 30 June 2009, and the income statements, statements of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for Colonial First State Wholesale Funds.

Directors' responsibility for the financial report

The directors of the Colonial First State Investments Limited (the responsible entity) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Independent auditor's report to the unitholders of Colonial First State Wholesale Funds (continued)

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

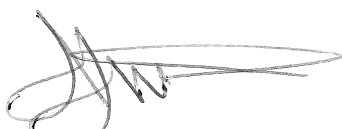
In our opinion:

- (a) the financial report of Colonial First State Wholesale Funds is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Funds' financial positions as at 30 June 2009 and of their performances for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of Colonial First State Wholesale Funds (the Funds) for the year ended 30 June 2009 included on Colonial First State Investments Limited (the responsible entity) web site. The responsible entity's directors are responsible for the integrity of the Colonial First State Investments Limited web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.


PricewaterhouseCoopers


A-J Wilson
Partner

Sydney
1 September 2009

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**ARSN 088 902 425
ABN 79 263 933 668**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

Responsible Entity of the Fund:

**COLONIAL FIRST STATE
INVESTMENTS LIMITED**

ABN 98 002 348 352

Level 29, 52 Martin Place
SYDNEY NSW 2000

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

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COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

The Directors of Colonial First State Investments Limited, the Responsible Entity of the Colonial First State Wholesale Guaranteed Mortgage Fund ("the Fund"), present their report together with the financial report for the year ended 30 June 2009.

Principal Activities

The principal activities of the Fund are to invest in accordance with the investment objectives and guidelines as set out in the current Information Memorandum and in accordance with the provisions of the Fund's Constitution.

The Fund is closed to new investors.

Date of Constitution and Registration of Fund

The dates of the Constitution and registration of the Fund with the Australian Securities & Investments Commission (ASIC) were 10 August 1999 and 13 August 1999 respectively.

Review Of Operations

The investment policy of the Fund is to provide investors with a consistent monthly income from a portfolio consisting of registered first mortgages, mortgage-backed securities, money market securities and cash. The Fund also provides investors with the added security of a guarantee that protects the value of their investment. See Note 13 for details of the Guarantor and guarantee.

Mortgage investments comprise loans with the principal security being registered first mortgages over properties. The Responsible Entity's current policy is to lend up to 70% of the market value.

Income

The income distributions per unit for the Fund for the years ended 30 June 2009 and 30 June 2008 are disclosed in Note 4 to the financial statement.

Exit price

The exit price is the price at which unitholders realise an entitlement in a Fund. NAV unit price is calculated by taking the total fair value of all of a fund's assets on a particular day, adjusting for any liabilities and then dividing the net fund value by the total number of units held by unitholders on that day.

The unit price representing the ex-distribution exit unit price as at 30 June 2009 was \$0.9880 (2008: \$0.9971).

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Review Of Operations (continued)

Management Costs and Indirect Cost Ratio (ICR)

The Indirect Cost Ratio is the ratio of the Fund's management costs over the Fund's average net assets attributable for the year, expressed as a percentage.

Management cost include management fees and other expenses or reimbursements deducted in relation to the Fund, but do not include transactional and operational costs such as brokerage. Management costs are not paid directly by the unitholders of the Fund.

The ICR of the Fund for the year ended 30 June 2009 is 1.15% (2008: 1.15%).

Performance

The performance figures below have been calculated on an exit price to exit price basis and with no allowance made for the taxation of these returns. Distributions paid have been treated as being reinvested and have been recognised in the period of entitlement.

	2009	2008
	%	%
Total performance	4.76	6.86

Responsible Entity and Directors

The Responsible Entity of the Fund is Colonial First State Investments Limited. The ultimate holding company is the Commonwealth Bank of Australia (ABN 48 123 123 124).

The Directors of the Responsible Entity in office during the year and up to the date of the report are:

Grahame Anthony Petersen	
Michael John Venter	
Brian Vincent Bissaker	
Gregg Johnston	Appointed 04/08/2009
Peter Robert Winney	
Bradley Brian Massey	
Paul Alexander Rayson	Resigned 28/07/2009

The Responsible Entity is incorporated and domiciled in Australia and has its registered office at Level 29, 52 Martin Place, Sydney, New South Wales, 2000.

Scheme Information

The Fund is a registered managed investment scheme domiciled in Australia and has its principal place of business at Level 29, 52 Martin Place, Sydney, New South Wales, 2000.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Unit Pricing Adjustments Policy

There are a number of factors used to calculate unit prices. The key factors include asset valuations, liabilities, debtors, the number of units on issue and where relevant transaction costs. When the factors used to calculate the unit price are incorrect an adjustment to the unit price may be required. The Responsible Entity uses a variance of 0.30% (0.05% for a cash investment option) in the unit price before correcting the unit price.

If a unit pricing error is greater than these tolerance levels the Responsible Entity will:

- compensate unitholders' accounts balance if they have transacted on the incorrect unit price or make other adjustments as the Responsible Entity may consider appropriate, or
- where unitholders' accounts are closed we will send them a payment if the amount of the adjustment is more than \$20.

These tolerance levels are consistent with regulatory practice guidelines and industry standards. In some cases we may compensate where the unit pricing error is less than the tolerance levels.

Significant Changes in the State of Affairs

There was no significant change in the nature of the Fund's activities during the year.

Matters Subsequent to the End of the Financial Year

With the exception of the withdrawal payments from the Fund (refer to Note 15), no matters or circumstances have arisen since 30 June 2009 that have significantly affected, or may significantly affect:

- (i) the operations of the Fund in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Fund in future financial years.

Likely Developments and Expected Results of Operations

The Fund will continue to pay investor redemption requests as liquidity allows (refer to Note 15). The Fund is expected to continue to operate within the terms of the Constitution, and will continue to invest in accordance with the investment objectives and guidelines.

Indemnification and Insurance Premiums for Officers and auditors

No insurance premiums are paid for out of the assets of the Fund in relation to insurance cover provided to Colonial First State Investments Limited or the auditors of the Fund. So long as the officers of Colonial First State Investments Limited act in accordance with the Constitution and the Corporations Act 2001, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund. The auditors of the Fund are in no way indemnified out of the assets of the Fund.

The Commonwealth Bank of Australia has paid insurance premiums for the benefit of the officers of the Responsible Entity and the compliance committee members. Details of the nature of the liabilities covered or the amount of the premium paid have not been included as such disclosure is prohibited under the terms of the insurance contracts.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Fees Paid to and Interest Held in the Fund by the Responsible Entity or its Associates

Fees paid to the Responsible Entity and its associates out of the Fund's assets during the year are disclosed in the Income Statement.

No fees were paid to the Directors of the Responsible Entity during the year out of the Fund's assets.

No interests in the Fund were held by the Responsible Entity or its associates at the end of the financial year.

Interests in the Fund

The units issued and redeemed in the Fund during the year and the number of units on issue at the end of the financial year are set out in Note 6(a) to the financial statements. The value of the Fund's investments at the end of the financial year is set out in the Balance Sheet.

Environmental Regulation

The operations of the Fund are not subject to any particular environmental regulations under Commonwealth, State or Territory law. There have been no known significant breaches of any other environmental requirements applicable to the Fund.

Rounding of amounts to the nearest thousand dollars

The Fund is a registered scheme of a kind referred to in Class Order 98/0100 (as amended) issued by the Australian Securities & Investments Commission relating to the "rounding off" of amounts in the Directors' Report and the Financial Report. Amounts in the Directors' Report and the Financial Report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

Applications, Withdrawals and Switches Suspension

Effective from 3.00pm Friday 24th October 2008, the Fund was declared illiquid and the application, withdrawal and switch processes were suspended, until further notice.

This was to ensure withdrawal requests could be responded to in a measured and orderly way in the best interests of unitholders.

The Responsible Entity intends to process withdrawal and switch requests on a quarterly basis (or such other intervals determined from time to time), depending on the level of cash available within the Fund to meet those requests at that time. Payments may also be made from time to time from the Fund where the Financial Hardship criteria is met (refer to Note 15). The cash available in the Fund will depend on asset sales and the repayment of maturing mortgages. Any payment made in respect of a withdrawal or switch request will be calculated at a unit price determined at the time the payment is to be made.

Please refer to Note 15 for details on the quarterly withdrawal offers made during the year ending 30 June 2009.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on Page 6.

Signed in accordance with a resolution of the Directors of Colonial First State Investments Limited.

A handwritten signature in black ink, appearing to read 'Bradley Massey', written in a cursive style.

Bradley Brian Massey
Director
Sydney
1 September 2009

PricewaterhouseCoopers
ABN 52 780 433 757

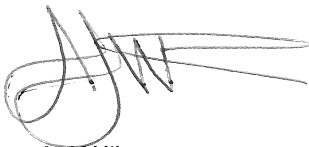
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Auditor's Independence Declaration

As lead auditor for the audit of Colonial First State Wholesale Guaranteed Mortgage Fund for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Colonial First State Wholesale Guaranteed Mortgage Fund during the period.



A J Wilson
Partner
PricewaterhouseCoopers

Sydney
1 September 2009

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Notes	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Investment income			
Interest income	3(a)	1,103	1,925
Other income		6	-
Total investment income		1,109	1,925
Expenses			
Responsible Entity's management fees	8(c)	194	268
Other expenses	3(b)	28	38
Total operating expenses		222	306
Operating profit attributable to unitholders		887	1,619
Distributions to unitholders	4	(961)	(1,626)
Change in net assets attributable to unitholders from operations	6(a)	74	7
Profit/(Loss) for the year		-	-

The above Income Statement should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**BALANCE SHEET
AS AT 30 JUNE 2009**

Assets	Notes	30/06/2009 \$'000	30/06/2008 \$'000
Cash and cash equivalents		1,743	1,768
Trade and other receivables:			
- application monies		-	1
- interests		6	23
- others		8	29
Financial assets held for trading	5	3,495	8,221
Mortgages	14	8,773	10,867
Total assets		14,025	20,909
Liabilities			
Trade and other payables:			
- redemptions		-	22
Distribution payable		20	189
Fees due to Responsible Entity		44	21
Total liabilities (excluding net assets attributable to unitholders)		64	232
Net assets attributable to unitholders - liability	6(a)	13,961	20,677
Represented by:			
Fair value of outstanding units based on redemption value		13,730	20,499
Adjustments to year end accruals		231	178
Net assets attributable to unitholders		13,961	20,677

The above Balance Sheet should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009**

	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Total equity at the beginning of the financial year	-	-
Profit or loss for the year	-	-
Net income/(expense) recognised directly in equity		
Total recognised income and expenses for the year	-	-
Transactions with equity holders in their capacity as equity holders	-	-
Total equity at the end of the financial year	-	-

Under AIFRS, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at that start or end of the year.

The above Statement of Changes in Equity should be read in conjunction with Note 6(a).

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Cash flows from operating activities			
Proceeds from sale of financial instruments held for trading		40,035	34,738
Payments for purchase of financial instruments held for trading		(35,342)	(34,817)
Net repayment or (payment) of mortgage assets		2,045	4,591
Interest received		1,219	1,917
Other income received		5	-
Responsible Entity fee paid		(168)	(275)
Other expenses paid		(27)	(38)
Net cash from operating activities	7(a)	7,767	6,116
Cash flows from financing activities			
Receipts from issue of units		677	3,024
Payment for redemption of units		(7,423)	(8,253)
Distributions paid		(1,046)	(1,369)
Loan repayment		-	-
Net cash used in financing activities		(7,792)	(6,598)
Net movement in cash and cash equivalents		(25)	(482)
Add opening cash and cash equivalents brought forward		1,768	2,250
Closing cash and cash equivalents carried forward		1,743	1,768

See Note 7(b) for non-cash financing activities.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the Fund's Constitution and the requirements of the Corporations Act 2001, which includes Accounting Standards. Other mandatory professional reporting requirements have also been complied with.

The financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The Balance Sheet is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be settled within twelve months, except for financial assets held for trading, mortgages and net assets attributable to unitholders. The amounts expected to be recovered or settled after more than twelve months in relation to these balances cannot be reliably determined, except as otherwise stated.

The financial report was authorised for issue by the Directors of the Responsible Entity on 28 August 2009.

Both the functional and presentation currency of the Fund is Australian dollars.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

Certain prior year comparative disclosures have been updated to conform to current year presentation.

(c) Investments in Financial Assets and Liabilities Held for Trading

Classification

The Fund's investments are classified as held for trading and initially recognised at fair value not including transaction costs, which are expensed in the income statement.

Recognition/Derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

The derecognition of a financial instrument takes place when the Fund no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

Measurement

After initial recognition, the financial assets held for trading are revalued to fair value at each reporting date.

For financial assets held for trading that are actively traded in organised financial markets, fair value is determined by reference to Exchange quoted market bid prices at the close of business on the balance date.

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantively the same or is calculated based on the expected cash flows of the underlying net asset base of the investment. The fair value of units in unlisted Managed Investment Schemes is determined by reference to published bid prices at the close of business on the Balance Sheet date being the redemption price as established by the underlying Fund's Responsible Entity.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Investments in Financial Assets and Liabilities Held for Trading (continued)

Measurement (continued)

Gains or losses on investments held for trading are recognised in the Income Statement. Investments of the Fund which are considered to be held for trading are money market securities.

(d) Mortgages

All mortgages are classified as loan and receivables and are initially recognised at cost, being the fair value of the consideration issued.

After initial recognition, mortgages are subsequently measured at amortised cost less impairment, using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Impairment charges are recognised when the carrying value exceeds the estimated recoverable amount. The impairment charge is included in other expenses.

Gains and losses are recognised in the Income Statement when the assets are derecognised, amortised or impaired.

(e) Investment Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised:

Interest income

Income is recognised as the interest accrues (using the effective interest rate method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(f) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank, deposits held at call and liquid investments which are readily convertible to cash and subject to insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents are as defined above, net of outstanding bank overdrafts if applicable.

(g) Trade and Other Receivables

Receivables are recognised and carried at the original invoice amount, less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of an amount is no longer probable. Bad debts are written off when identified.

Amounts are generally received within 30 days of being recorded as receivables.

(h) Trade and Other Payables

Liabilities for creditors are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Fund.

Payables include outstanding settlements on the purchase of financial assets and liabilities held for trading and distributions payable. The carrying period is dictated by market conditions and is generally less than 30 days.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Taxation

Under current legislation, the Fund is not subject to income tax provided the unitholders are presently entitled to the income of the Fund and the Fund fully distributes its taxable income.

(j) Distributions

In accordance with the Fund's Constitution, the Fund fully distributes its distributable income to unitholders. Distributions are payable monthly. Such distributions are determined by reference to the taxable income of the Fund. Distributable income includes capital gains arising from the disposal of financial assets held for trading. Unrealised gains and losses on financial assets held for trading that are recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any realised capital gains.

(k) Unit Prices

Unit prices are determined in accordance with the Fund's Constitution and are calculated as the net assets attributable to unitholders, divided by the number of units on issue. Financial assets and liabilities held for trading for unit pricing purposes are valued on a "last sale" price basis.

(l) Terms and Conditions on Units

Each unit issued confers upon the unitholders an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- receive income distributions;
- attend and vote at meetings of unitholders;
- participate in the termination and winding up of the Fund; and
- have their units redeemed. However the Responsible Entity may suspend the redemption of units in the circumstances set out in the Constitution or when the Fund is not liquid.

The rights, obligations and restrictions attached to each unit are identical in all respects.

(m) Net Assets Attributable to Unitholders

Under AASB 132 "Financial Instruments: Disclosure and Presentation", contractual obligations are regarded as liabilities. All net assets attributable to unitholders have been recognised as liabilities of the Fund, rather than as equity. The classification of net assets attributable to unitholders does not alter the underlying economic interest of the unitholders in the net assets and net profit attributable to unitholders of the Fund.

(n) Goods and Services Tax (GST)

Income, expenses and assets, with the exception of receivables and payables, are recognised net of the amount of GST to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated inclusive of GST.

Reduced input tax credits (RITC) recoverable by the Fund from the Australian Taxation Authority are recognised as a receivable in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Use of estimates

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example, over-the-counter derivatives or unquoted securities are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them. Models are calibrated by back-testing to actual transactions to ensure that outputs are reliable.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(p) Expense Recognition

Expenses are recognised in the Income Statement when the Fund has a present obligation (legal or constructive) as a result of a past event that can be reliably measured. Expenses are recognised in the Income Statement if expenditure does not produce future economic benefits that qualify for recognition in the Balance Sheet.

(q) New Application of Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting periods. The impact of these new standards and interpretations is set below:

- AASB 8 "*Operating Segments*" and AASB 2007-3 "*Amendments to Australian Accounting Standards*" arising from AASB 8.

AASB 8 and AASB 2007-3 are effective for annual reporting periods beginning on or after 1 January 2009. The Funds have not adopted these standards early. Application of these standards will not affect any of the amounts recognised in the financial statements, but may affect the segment disclosures provided in Note 9.

- Revised AASB 101 "*Presentation of Financial Statements Revised*" and AASB 2007-8 "*Amendments to Australian Accounting Standards*" arising from AASB 101.

AASB 101 (Revised) is applicable to annual reporting beginning on or after 1 January 2009. The Fund has not adopted this standard early. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity but will not affect any amounts recognised in the financial statements. If the Fund has made a prior period adjustment or has re-classified items in the financial statement, it will need to disclose a third balance sheet, this one being at the beginning of the comparative period.

- AASB 132 "*Financial Instruments: Presentation*" and AASB 2008-2 "*Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations Arising on Liquidation*" (Revised AASB 132).

Revised AASB 132 is applicable for reporting periods beginning on or after 1 January 2009. The Fund has not adopted this standard early. Application of this standard will not affect any of the amounts recognised in the financial statements as the Fund is obligated to distribute all of its taxable income in accordance with the Fund's Constitution. Accordingly, there will be no change to classification of unitholders' funds as a liability and therefore no impact on profit or loss and equity.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) New Application of Accounting Standards (continued)

- AASB 7 Financial Instruments: Disclosure and AASB 2009-2 Amendments to Australian Accounting Standards - Improving Disclosures about Financial Instruments

Revised AASB 7 is applicable for reporting periods beginning on or after 1 January 2009. The Fund has not adopted this standard early. The amendments require fair value measurement disclosures to be classified into a new three-level hierarchy and additional disclosures for items whose fair value is determined by valuation techniques rather than observable market values. The amendments will not affect any of the amounts recognised in the financial statements but may affect certain disclosures.

(r) Comparatives

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures and presentation in the current year.

2. AUDITORS' REMUNERATION

Auditors' remuneration in respect of auditing the financial report is fully paid by the Responsible Entity.

Other services provided by the auditors are the audit of the compliance plan of the Fund and tax compliance services. The auditors' non-audit remuneration is not paid by the Fund.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

3. INTEREST INCOME AND OTHER EXPENSES

(a) Interest Income

The interest income of the Fund is summarised as follows:

	01/07/2008 - 30/06/2009 \$'000	01/07/2007 - 30/06/2008 \$'000
Cash and cash equivalents	108	168
Money market securities	367	463
Mortgage loans	628	1,294
Total Interest Income	1,103	1,925

(b) Other Expenses

	2009 \$'000	2008 \$'000
Mortgage originator fees	23	36
Other expenses	5	2
	28	38

4. DISTRIBUTIONS

The amounts distributed and the income rate distributed during the year were:

Month ended	2009		2008	
	cpu	\$'000	cpu	\$'000
- 31 July	0.50	101	0.40	101
- 31 August	0.65	131	0.45	112
- 30 September	0.50	95	0.45	108
- 31 October	0.55	103	0.50	118
- 30 November	0.65	121	0.55	128
- 31 December	0.55	103	0.60	140
- 31 January	0.70	101	0.55	130
- 28 February	0.35	50	0.50	115
- 31 March	0.30	43	0.65	145
- 30 April	0.35	50	0.55	121
- 31 May	0.30	42	0.90	189
- 30 June	0.15	21	1.07	219
		961		1,626

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

5. FINANCIAL ASSETS HELD FOR TRADING

	30/06/2009 \$'000	30/06/2008 \$'000
Money Market Securities		
- Bank Accepted Bills	2,298	3,776
- Promissory Notes	-	1,973
- Negotiable Certificate of Deposit	1,197	2,472
Total Money Market Securities	3,495	8,221
Total Financial Assets Held for Trading	3,495	8,221

6. CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The terms and conditions attached to units in the Fund can be found in Note 1(l).

(a) Movements in number of units and net assets attributable to unitholders during the year were as follows:

	01/07/2008 - 30/06/2009		01/07/2007 - 30/06/2008	
	No.'000	\$'000	No.'000	\$'000
Opening balance	20,558	20,677	25,527	25,685
Applications	675	675	3,009	3,025
Redemptions	(7,421)	(7,401)	(8,205)	(8,253)
Units issued upon reinvestment of distributions	84	84	227	227
Change in net assets attributable to unitholders from operations	-	(74)	-	(7)
Closing Balance	13,896	13,961	20,558	20,677

(b) Capital Risk Management

The Fund manages its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions requests.

The Responsible Entity recognises that mortgage assets at amortised cost are not easily convertible to cash. There is currently a suspension on redemptions from the Fund due to low cash levels and limited liquidity in mortgage assets.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

7. CASH AND CASH EQUIVALENTS

(a) Reconciliation of Net Profit Attributable to Unitholders to Net Cash from Operating Activities

	2009 \$'000	2008 \$'000
Net profit attributable to unitholders	887	1,619
Proceeds from sale of financial instruments held for trading and mortgages	42,080	39,329
Purchase of financial instruments held for trading and mortgages	(35,342)	(34,817)
Changes in assets and liabilities:		
Other receivables	3	-
Interest receivables	116	(26)
Other payables	-	16
Responsible Entity fees	23	(5)
Net Cash From Operating Activities	7,767	6,116

(b) Non-cash financing activities carried out during the year on normal commercial terms and conditions included:

Reinvestment of unitholders distributions as disclosed in Statement of Changes in Net Asset Attributable to Unitholders and Note 6(a) under "Units issued upon reinvestment of distributions".

(c) Terms and Conditions on Cash

Cash at bank and cash equivalents earns interest at a floating rate as determined by the financial institutions.

8. RELATED PARTIES DISCLOSURES

(a) Responsible Entity

The Responsible Entity of the Fund is Colonial First State Investments Limited. The ultimate holding company is the Commonwealth Bank of Australia (the Bank).

The Responsible Entity is incorporated and domiciled in Australia and has its registered office at Level 29, 52 Martin Place, Sydney, New South Wales, 2000.

(b) Details of Key Management Personnel

(i) Key Management Personnel

The Directors of the Colonial First State Investments Limited are considered to be Key Management Personnel. The Directors of the Responsible Entity in office during the year and up to the date of the report are:

Grahame Anthony Petersen	
Michael John Venter	
Brian Vincent Bissaker	
Gregg Johnston	Appointed 04/08/2009
Peter Robert Winney	
Bradley Brian Massey	
Paul Alexander Rayson	Resigned 28/07/2009

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

8. RELATED PARTIES DISCLOSURES (continued)

(b) Details of Key Management Personnel (continued)

(ii) Compensation of key management personnel

No amounts are paid by the Fund directly to the Directors of the Responsible Entity of the Fund.

The Directors of the Responsible Entity receive compensation in their capacity as Directors of the Responsible Entity. Directors are employed as executives of the Commonwealth Bank of Australia, and in that capacity, part of their role is to act as a Director of the Responsible Entity. Consequently, no compensation as defined in AASB 124: Related Parties is paid by the Fund to the Directors as Key Management Personnel.

(c) Responsible Entity's Management Fees

Under the terms of the Constitution, the Responsible Entity is entitled to receive a monthly management fee which is expressed as a percentage of the total assets of the Fund (i.e excluding liabilities). Management fees are paid directly by the Fund. Management fees are calculated at 1.15% per annum (2008 - 1.15% per annum). All related party transactions are conducted on normal commercial terms and conditions.

The Responsible Entity's fees for the years ended 30 June 2009 and 30 June 2008 are \$193,803 and \$268,364 respectively. As at 30 June 2009 and 30 June 2008, the total amount owed to the Responsible Entity in relation to management fees are \$43,532 and \$21,000 respectively.

(d) Bank and Deposit Accounts

The bank account for the Fund is held with the Commonwealth Bank of Australia. Fees and expenses are negotiated on an arm's length basis. Various short term money market securities are from time to time transacted through the Commonwealth Bank of Australia which receives a fee which is negotiated on an arm's length basis.

(e) Related party investments of the Fund

Colonial First State Investments Limited, its affiliates and other Funds managed by Colonial First State Investments Limited as well as the Directors of Colonial First State Investments Limited do not hold any units in the Fund.

(f) Capital Guarantee

Colonial First State Group Limited (the Guarantor) has guaranteed to reimburse the Fund any capital shortfall in order to provide for the payment to unitholders in the Fund of the base repurchase price less any exit fee payable. The Guarantor also covenants to pay to investors a minimum rate of return of the Fund which is set at the beginning of each month.

9. SEGMENT INFORMATION

The Fund operates in one business segment, being investment management. The Fund also operates from one geographic location being Australia, from where its investing activities are managed. Revenue is derived mainly from interest.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

10. FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk (interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management programme focuses on ensuring compliance with the Fund's Product Disclosure Statement/Information Memorandum and seeks to maximise the returns derived for the level of risk to which the Fund is exposed. Financial risk management is carried out by the investment management department (Investment Manager) and regularly monitored by the Compliance Department of the Responsible Entity.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and ratings analysis for credit risk.

(a) Market Risk

(i) Interest rate risk

The Fund's investments in interest bearing financial assets are exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Fund is exposed to cash flow interest rate risk on financial instruments at variable rates. Financial instruments at fixed rates expose the Fund to fair value interest rate risk. The risk is measured using sensitivity analysis.

The table below summarises the Fund's exposure to interest rate risks. It includes the Fund's assets and liabilities at fair values.

	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
30/06/2009	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	1,743	-	-	1,743
Receivables	-	-	14	14
Financial assets held for trading	-	3,495	-	3,495
Mortgages	8,773	-	-	8,773
Financial liabilities				
Payables	-	-	(64)	(64)
Net exposure	10,516	3,495	(50)	13,961
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	10,516	3,495	(50)	13,961

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

10. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk (continued)

(i) Interest rate risk (continued)

30/06/2008	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets				
Cash and cash equivalents	1,768	-	-	1,768
Receivables	-	-	53	53
Financial assets held for trading	-	8,221	-	8,221
Mortgages	10,867	-	-	10,867
Financial liabilities				
Payables	-	-	(232)	(232)
	12,635	8,221	(179)	20,677
Net increase/(decrease) in exposure from interest rate swaps (notional principal)	-	-	-	-
Net exposure	12,635	8,221	(179)	20,677

An analysis of financial liabilities by maturities is provided in paragraph (d) below.

The table in Note 10(b) summarises the impact of an increase/decrease of interest rates on the Fund's operating profit and net assets attributable to unitholders through changes in fair value or changes in future cash flows. The analysis is based on the assumption that interest rates changed by +/- 50 basis points (2008: +/- 75 basis points) from the year end rates with all other variables held constant. The impact mainly arises from changes in the fair value of fixed interest securities.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

10. FINANCIAL RISK MANAGEMENT (continued)

(b) Summarised Sensitivity Analysis

The following table summarises the sensitivity of the Fund's operating profit or loss and net assets attributable to unitholders to interest rate risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates. However, actual movements in the risk variables may be greater than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performance of the economies and markets in which the Fund invests. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

	Interest rate risk	
	Impact on operating profit/(loss) and net assets attributable to unitholders	
	-50 basis points \$'000	+50 basis points \$'000
30/06/2009	(70)	70
	-75 basis points \$'000	+75 basis points \$'000
30/06/2008	(75)	75

(c) Credit risk

Credit risk primarily arises from investments in debt securities and mortgage assets at amortised cost. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers.

(i) Money market securities

The Fund invests in money market securities which have an investment grade as rated by the Standard & Poor's rating agency. For unrated assets a rating is assigned by the Investment Manager using an approach that is consistent with the approach used by rating agencies.

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA or higher (as determined by the Standard and Poor's or equivalent agency).

The Compliance Department of the Responsible Entity regularly monitors the credit risks that arise from holding these securities.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. An analysis of money market securities by rating is set out in the table below.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

10. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

(i) Money market securities (continued)

	30/06/2009 \$'000	30/06/2008 \$'000
Rating		
AA+	-	983
AA	3,495	4,763
A+	-	989
A	-	496
Others	-	990
Total	3,495	8,221

(ii) Mortgage Assets

The Fund invests into mortgage assets through the provision of commercial mortgages in Australia.

Upon origination of each mortgage the credit risk of the mortgagee is analysed using the following measures:

- interest cover ratio,
- mortgage loan to value ratio,
- credit checks on mortgagee,
- suitability of security property,
- asset position of mortgagee and
- overall interest cover position of the mortgagee.

The Fund is exposed to the underlying credit quality of the mortgagee and the assets that are held as securites. The Investment Manager manages these credit risks by performing;

- mortgages are reviewed periodically to reassess the above factors,
- mortgages in arrears are reported to risk and credit committee on a monthly basis, and
- review of mortgage portfolio undertaken as necessary in light of changed market conditions.

At balance date, the Investment Manager has reviewed the recoverability of the mortgage portfolio based on the above. The Investment Manager does not believe any of the mortgages are demonstrating characteristics which would suggest impairment.

(d) Liquidity risk

The Fund is exposed to daily cash redemptions of redeemable units. The Fund primarily invests in mortgages and money market securities. Money market securities are readily traded in the market and can be easily disposed of, whereas mortgage assets are not readily realisable.

The Fund's financial liabilities primarily consist of redemptions payable to unitholders at year end as well as other payables such as the accruals of management fees and distributions payable at year end. All financial liabilities of the Funds are contractually due within 30 days. However, as the Fund has been declared illiquid, redemptions requested will be processed on a quarterly basis (or such other intervals determined from time to time), depending on the level of cash available within the Fund to meet those requests at that time, while still retaining the asset allocation of the Fund. Details of the redemptions requested during the year are disclosed in Note 15.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

10. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair Value Estimation

The Fund's financial assets and liabilities included in the Balance Sheet are carried at their fair values or at amounts that approximate their fair values, except for mortgage assets as disclosed below:

	30/06/2009		30/06/2008	
	Fair Value \$'000	Carrying Amount \$'000	Fair Value \$'000	Carrying Amount \$'000
Mortgage assets at amortised cost	8,585	8,773	10,835	10,867

The fair value of mortgages is determined using a valuation model which discount the borrower's remaining contractual repayments (including principal) at the current market rate.

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11. CONTINGENT LIABILITIES AND COMMITMENTS

As at 30 June 2009 the Fund has no contingent liabilities and commitments (2008 - none).

12. EVENTS AFTER BALANCE SHEET DATE

Since the reporting date no significant events have occurred that required reporting (2008 - none).

13. GUARANTOR OF THE GUARANTEED MORTGAGE FUND

The Guarantor of the Colonial First State Wholesale Guaranteed Mortgage Fund is the Colonial First State Group Limited (formerly known as Colonial First State Investments Group Limited), a wholly-owned subsidiary of the Commonwealth Bank of Australia. The deed evidencing the guarantee is dated 10 August 1999.

The guarantee has two key elements:

- a guarantee designed to ensure that the amount an investor invests (excluding entry fees, if applicable) and income generated by the investments in the Fund will be returned to the investor when due, and
- a guarantee that all principal and interest due under any mortgage will be paid to the Fund.

Other features of the guarantee include:

- the Guarantor has imposed certain restrictions as to the type of mortgages that may be accepted into the Fund, the liquidity to be maintained in the Fund, and the manner in which the liquidity is invested;
- the Guarantor may, at any time, limit the amount of future investments into the Fund. If this occurs the Responsible Entity would close the Fund to new investments once the size of the Fund reached that point;
- the Guarantor can cease to provide the guarantee providing it first gives a minimum of twelve months notice to the Responsible Entity;
- the guarantee will immediately cease to have effect if the Responsible Entity retires, is removed or is replaced; and
- the Guarantor receives a fee for provision of the guarantee which is met by the Responsible Entity.

14. ADDITIONAL DISCLOSURES FOR MORTGAGES

(a) Summary of Mortgage assets

The Mortgage assets for the Fund are summarised as follows:

	30/06/2009		30/06/2008	
	Number	\$'000	Number	\$'000
Current mortgages	20	8,773	15	10,867
	20	8,773	15	10,867

(b) Geographic Profile of Mortgages

	30/06/2009		30/06/2008	
	\$'000	%	\$'000	%
Australian Capital Territory	-	0.00%	-	0.00%
New South Wales	5,307	60.49%	6,376	58.68%
Queensland	2,314	26.38%	4,019	36.98%
South Australia	-	0.00%	-	0.00%
Tasmania	-	0.00%	-	0.00%
Victoria	1,152	13.13%	472	4.34%
	8,773	100.00%	10,867	100.00%

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

14. ADDITIONAL DISCLOSURES FOR MORTGAGES (continued)

(c) Property Type Securing Mortgages

	30/06/2009		30/06/2008	
	\$'000	%	\$'000	%
Improved Industrial	1,572	17.92%	2,020	18.59%
Improved Office	2,142	24.42%	1,206	11.10%
Improved Residential	478	5.45%	-	0.00%
Improved Retail	4,581	52.21%	7,641	70.31%
	8,773	100.00%	10,867	100.00%

(d) Maturity Profile of Mortgages

	30/06/2009		30/06/2008	
	\$'000	%	\$'000	%
Less than 1 year	197	2.25%	2,559	23.55%
1 to 2 years	3,476	39.62%	3,545	32.62%
2 to 3 years	1,487	16.95%	3,047	28.04%
3 - 4 years	1,525	17.38%	981	9.03%
4 - 5 years	2,088	23.80%	735	6.76%
Greater than 5 years	-	0.00%	-	0.00%
	8,773	100.00%	10,867	100.00%

(e) Material Mortgages

The number of mortgagors with mortgage balance greater than 5% of the total mortgage assets of the Fund are as follows:

	30/06/2009		30/06/2008	
	Number	\$'000	Number	\$'000
5% to 5.99% of the mortgage assets	3	1,456	1	641
6% to 6.99% of the mortgage assets	-	-	-	-
7% to 7.99% of the mortgage assets	-	-	-	-
8% to 8.99% of the mortgage assets	1	777	-	-
9% to 9.99% of the mortgage assets	-	-	-	-
Greater than 10% of the mortgage assets	2	2,811	5	7,743
	6	5,044	6	8,384

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

14. ADDITIONAL DISCLOSURES FOR MORTGAGES (continued)

(f) Interest Rate Profile of Mortgages

	30/06/2009		30/06/2008	
	\$'000	%	\$'000	%
Variable Mortgages:				
Less than 4.5%	-	0.00%	-	0.00%
4.5% to 4.99%	7,509	85.58%	-	0.00%
5% to 5.49%	962	10.97%	-	0.00%
5.5% to 5.99%	105	1.20%	-	0.00%
6 % to 6.49%	-	0.00%	-	0.00%
6.5 to 6.99%	-	0.00%	-	0.00%
7% to 7.49%	-	0.00%	-	0.00%
7.5% to 7.99%	-	0.00%	-	0.00%
8% to 8.49%	-	0.00%	-	0.00%
8.5% to 8.99%	197	2.25%	-	0.00%
9% to 9.49%	-	0.00%	8,066	74.22%
9.5% to 9.99%	-	0.00%	2,801	25.78%
Greater than 10%	-	0.00%	-	0.00%
	8,773	100.00%	10,867	100.00%

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

15. REDEMPTIONS

Unitholders can request redemptions from the Fund in accordance with the terms of any withdrawal offer made by the Responsible Entity or under Financial Hardship withdrawal criteria (pursuant to relief from the Australian Securities and Investments Commission (ASIC) dated 11 November 2008), subject to the Fund having available cash.

Financial Hardship Payments

A unitholder can request a Financial Hardship withdrawal which meets at least one of the criteria below. The amount of withdrawal payments is subject to limits set out in the ASIC relief.

- (i) severe financial hardship (e.g. where the unitholder is unable to meet reasonable and immediate living expenses);
- (ii) on compassionate grounds (e.g. medical costs for serious illness, funeral expenses, to prevent foreclosure, binding pre-existing financial obligation); and
- (iii) in the case of permanent incapacity.

Withdrawal Offers

The withdrawal offers will be made and processed in accordance with Section 601KB of the Corporations Act 2001 to all unitholders in the Fund:

- (i) where there is sufficient cash available to meet all withdrawal requests made by unitholders under the offer, all requests will be met in full; or
- (ii) where there is not sufficient cash available to meet all withdrawal requests made by unitholders under the offer, requests will be processed on a proportional basis. The Responsible Entity may set a minimum payment for a withdrawal offer.

The total redemptions requested and paid in the withdrawal offer that was open to unitholders during the year were as follows:

Redemption offer period	Total redemptions requested \$	Total redemptions paid \$	Payment date
3 December 2008 to 31 December 2008	4,266,521	4,266,521	January 2009
3 March 2009 to 14 April 2009	2,995,678	500,169	May 2009

COLONIAL FIRST STATE WHOLESALE GUARANTEED MORTGAGE FUND
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2009

In accordance with a resolution of the Directors of Colonial First State Investments Limited, I state that:

In the opinion of the Directors:

- a) the financial statements and notes to the financial statements of the Colonial First State Wholesale Guaranteed Mortgage Fund ("the Fund") are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Fund's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
 - ii) complying with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors of
Colonial First State Investments Limited



Bradley Brian Massey
Director
Sydney
1 September 2009

**Independent auditor's report to the unitholders of
Colonial First State Wholesale Guaranteed Mortgage Fund**

Report on the financial report

We have audited the accompanying financial report of Colonial First State Wholesale Guaranteed Mortgage Fund (the Fund), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for Colonial First State Wholesale Guaranteed Mortgage Fund.

Directors' responsibility for the financial report

The directors of the Colonial First State Investments Limited (the responsible entity) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Independent auditor's report to the unitholders of Colonial First State Wholesale Guaranteed Mortgage Fund (continued)

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Colonial First State Wholesale Guaranteed Mortgage Fund is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the fund's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of Colonial First State Wholesale Guaranteed Mortgage Fund (the Fund) for the year ended 30 June 2009 included on Colonial First State Investments Limited (the responsible entity) web site. The responsible entity's directors are responsible for the integrity of the Colonial First State Investments Limited web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.



PricewaterhouseCoopers



A J Wilson
Partner

Sydney
1 September 2009

Enquiries

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13760/FS2152/0809

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